

May 7 2009



TRANSCRIPT
May 7, 2009

MONTGOMERY COUNTY COUNCIL

PRESENT

Council President Phil Andrews

Council Vice President Roger Berliner

Councilmember Marc Elrich

Councilmember Nancy Floreen

Councilmember Duchy Trachtenberg

Councilmember Valerie Ervin

Councilmember Mike Knapp

Councilmember George Leventhal

May 7 2009



1 COUNCIL PRESIDENT ANDREWS:

2 Good morning, everybody. We are gonna get started momentarily. We had a meeting
3 upstairs with Congressman Donna Edwards to hear from our congresswoman about the
4 good work that she is doing and what is coming up before the Congress in the next few
5 weeks, and we very much value working with her closely on a number of issues, and we
6 are going to also revise the order of the consideration of budgets this morning. We're
7 gonna start with the Department of Police. I know that a number of our leaders in the
8 police Department need to head downtown this morning for commemorative events, so,
9 for--as part of National Police Week, so we want to honor that and make sure that they're
10 able to leave at a reasonable time to get down in time for the events. So, the order of
11 budgets that we're gonna go through are--we'll start with the Department of Police and
12 then we'll go to the Economic Development Fund and Economic Development, then the
13 Department of Housing and Community Affairs and Housing First, then to Fire and
14 Rescue Service, then to Recreation and the CIP amendments, then Utilities, and then the
15 Human Rights Commission. After that, we are adding a discussion that the Council will
16 have on the bi-county budgets. The Council has a meeting this afternoon at 3:00 with the
17 Prince George's County Council regarding bi-county budgets for the Washington
18 Suburban Sanitary Commission. So, that will be added to the agenda immediately
19 following our consideration of the Human Rights Commission budget, and my expectation--
20 my hope is that we will have all that done by about 20 to 12, 11:30, sometime in there. So
21 we will--we'll see if that happens. But I think it is possible. Why don't we first begin with the
22 Department of Police. Let's have our Chief and other representatives join us at the table,
23 and I'd like first for them to introduce themselves for those listening in or watching, and
24 then I will turn to Linda McMillan, who is our senior legislative analyst who works on the
25 police budget, and ask her to make any opening comments she wants to make about this
26 budget and her packet. But first let's have introductions from the table.

27
28 TOM MANGER:

29 Tom Manger, Chief of Police.

30
31 DREW TRACEY:

32 Drew Tracey, Assistant Chief.

33
34 BETSY DAVIS:

35 Betsy Davis, Assistant Chief.

May 7 2009



1 ED PIESEN:

2 Ed Piesen, Office of Management and Budget.

4 ALEX ESPINOSA:

5 Alex Espinosa, OMB

7 COUNCIL PRESIDENT ANDREWS:

8 Good morning, everybody. Linda, would you like to make any opening comments?

10 LINDA McMILLAN:

11 No, I think there's a summary at the beginning of the packet, which I know, Mr. Andrews,
12 you'll address the Committee's recommendations, and on page 2 of the packet, there is a
13 summary table for Councilmembers so that you can see what is in the base of the budget
14 that the Committee is recommending.

16 COUNCIL PRESIDENT ANDREWS:

17 Mm-hmm. OK. Thank you. And I want to thank Ms. McMillan for another excellent job as
18 always. She serves the Council very well and has been working on this budget for quite a
19 few years, and it definitely shows in the analysis. The Public Safety Committee held 3
20 worksessions on the recommended budget from the Executive on the Police Department,
21 and the Committee's recommendations, I think, were all unanimous on this budget. We
22 recommended just as a summary placing \$316,160 on the reconciliation list to retain 24-
23 hour public access to all 6 of the district stations, and so we did recommend putting that
24 on the reconciliation list. We were concerned about the impact that this would have on the
25 function of the Department and certainly on the public access, and we know it was not
26 recommended in a way that--it was a reluctant recommendation, we are sure, but we feel
27 that it would not be a step that should be taken, at least not at this time, and that this is
28 something that the Council should restore to the budget. So, the Committee's
29 recommendation is to put that on the reconciliation list for restoration as we come back
30 next week on the budget. One of the considerations is that just a week or 2 ago, the Safe
31 Haven Program began, which allows individuals who are...who want to...have someone
32 else raise their baby to--to leave their baby at a police station and a couple other
33 institutions, and that happens to actually have just begun and taken effect. Another
34 recommendation was to abolish the 4 vacant security officer positions that are entry-level
35 positions. This would still allow the positions at the sergeant level and the supervisor level

May 7 2009



1 and above the basic level to be filled, and there are a number of vacancies there that
2 could be filled. But the Committee is confident that these savings of \$206,000 can be
3 taken and without any--any harm. We did--we did recommend that we retain one police
4 officer position that would have been abolished in order to add a police officer to the traffic
5 section to comply with the revised speed camera law that requires the citations to be
6 signed or personally reviewed by a sworn officer, and that reflects the change in law. That
7 cost is \$113,000, and it may be able to be covered with speed camera revenues. But we
8 felt that that was an adjustment that had to be made because of the General Assembly's
9 action on the speed camera law. There is a chart on page 2, as Linda McMillan
10 mentioned, that summarizes the changes to the budget. If we look at page 3, and there
11 are a number of personnel changes that we can review, but I'm gonna go on at this point
12 to look at the individual items that I think are ones that need to be brought to attention. For
13 a number of years, the number of sworn positions was increased, and we are in a position
14 where we may not be able to--to do that this year, and there is a concern that the
15 Department is a lean Department and that we still have a growing county in terms of
16 population and in terms of--of some aspects of crime, and our Department is doing an
17 excellent job in responding to the--the increase in certain crimes, particularly focusing on
18 robberies. But we do ask a lot of our Department, and they respond well. We had
19 increased the Department by 90--89 sworn positions over a 3-year period, and we are at a
20 point now where it's been flat for the last year and a half, essentially. And this budget is
21 essentially a same services budget. This will, I think, pose some challenges for the
22 Department, and we will have to monitor this carefully. The Chief has shifted more officers
23 to frontline positions, partly as a response, and I think that the Committee believes that
24 that's the right approach. I'm going to ask the Chief if he would like to make any opening
25 comments before I go further into the budget as to what challenges he sees in the coming
26 year for the Department.

27
28 TOM MANGER:

29 Thank you, Mr. Andrews. I think you--you touched on one of the big challenges that we're
30 gonna have, and that's--we've made some cuts over the last 2 years, both sworn and non-
31 sworn personnel, and if you look at the areas that they work, you find a lot of them were
32 associated with our community outreach activities, our education activities. These are all
33 crime prevention strategies, I mean, folks associated with crime prevention strategies.
34 And as we've talked in some of the Public Safety Committee meetings, my focus was to
35 keep the folks that were responding to 911 calls and making arrests to not affect them

May 7 2009



1 with--with the cuts that we've made. I think we've--we've been able to accomplish that, but
2 as you cut around, you know, the folks that are basically performing the core services that
3 the Police Department performs, you end up having some long-term effects with--in terms
4 of your--your ability to prevent crime as effectively as you would like to, and I think that--I
5 would--I'm hoping that--that some of these cuts are short-term in that when we're able to,
6 we can get back--and get back into some of the outreach and prevention activities that
7 we've been able to do historically but that we've not now--that we're not now able to do
8 because of the cuts over the past--this past year and last year. So, we do continue to see
9 increases in a number of categories of crimes. We do continue to see with the
10 development around the county population increases in particular areas of the county,
11 which historically have been--had very little population. Clarksburg a good example. We
12 continue to see population and--and public safety challenges grow in specific areas of the
13 county, and again, we've talked about this a number of times in the Public Safety
14 Committee, and I think that there's a map that--in the package that really--a picture is
15 worth 1,000 words. It's the--it's on circle 50, and that's--that plotted out the robberies that
16 occurred in 2008, and what you see is the same pattern of crime that you--that we've seen
17 now over the past several years, where it's Germantown, Gaithersburg, Wheaton/Aspen
18 Hill, Silver Spring, and then really all up and down the eastern border of the county, and
19 that's--that's really the newest trend that we've seen over the last couple years is you see
20 the dark spots all the way up on the map, almost to Burtonsville, so--this is where we have
21 our crime challenges. This is--but this is also where you, you know, Dr. Weast will tell you
22 he has some of his issues. I mean, it--it has a lot to do with population density and--and
23 other socioeconomic factors, but as we're--as we continue to try and meet these crime
24 challenges in the--steadily increasing crime challenges, we need to really focus on these
25 areas, and so strategies that we've employed with the PCAT Team and our central auto
26 theft unit, you know, doing some--doing some new things. We've been able to maintain a
27 fairly steady crime rate over the past couple years, but it's--you know, we--we've not been
28 able to get in front of it, unfortunately.

29
30 COUNCIL PRESIDENT ANDREWS:

31 OK. Thank you for your--your--your thoughts, Chief, on it, and I know that you have
32 worked very hard to target resources where you see the greatest challenges, and the
33 PCAT Teams, the Police Community Action Teams that are moved around to help
34 address hot spots, the greater focus on policing in the central business districts,
35 particularly in the Wheaton/Silver Spring areas reflect, you know, a response to the trends

May 7 2009



1 that you see, and--and targeting resources in the way that makes the most difference. We
2 know that you're constantly making those adjustments, and I will now start on page 6, and
3 I'll just take us through the major changes in this budget and then see what questions and
4 discussion my colleagues have, and I'll ask my colleagues on the Public Safety
5 Committee if they have any as well. But if you go to page 6, and you'll look at the
6 recommended reductions, the first is to provide for one recruit class of 42 in January. No
7 July 2009 class. And we are seeing a greater retention rate in the Police Department than
8 in previous years, and that's true for almost every other Department that we've met with,
9 probably related at least partially if not mainly to the economy, that people are tending to
10 stay longer or leave at a slower rate, and that does reduce to some degree the number of-
11 -of recruits that are needed. So, the analysis is that 42 will be sufficient to keep us at the
12 level that is proposed. In terms of--there are some particular abolishments that are
13 described in the packet. I won't go into all of them unless there are questions. They're very
14 well explained in the packet. Again, on the issue of the front desk public access hours at
15 the Bethesda and Montgomery Village/Gaithersburg stations, which would require
16 abolishing 4 filled police service aide positions, the Committee is recommending that this
17 be placed on the reconciliation list. We are concerned about the impact this would have
18 and we--I'll see if there are any questions about that as we go through. Ah.
19 Councilmember Knapp has a question.

20
21 **COUNCILMEMBER KNAPP:**

22 Thank you, Mr. President. I appreciate it I apologize, Chief, for missing your opening
23 comments. And I appreciate the Committee's efforts in trying to ensure that we are
24 keeping a level of service required to--at least not continue backsliding. I guess the
25 question I would have, though, in your remarks, I know you talked a little bit about what
26 we're seeing with increasing crime. We obviously are, and that's a problem, and
27 unfortunately, in difficult economic times, that continues to move in--in the wrong direction.
28 If we go ahead with this--if we provide for 42 folks in the next recruit class, we figure on
29 average we're losing, what, 25 a year? For up to retirement? 2 a month. So we add 42, so
30 that effectively becomes, replacing the 25, so you're at 17 up. I'm assuming no other
31 attrition anywhere else. So we expect that that'll keep us at just--at our current--I mean,
32 what our current staffing level is so we don't gain anything, it'll just keep us even?

33
34 **TOM MANGER:**

35 I--we don't make any progress with that--with that number in the class.

May 7 2009



1 COUNCILMEMBER KNAPP:

2 But do we lose ground? That's my bigger concern. Do we run the risk of losing ground?

4 TOM MANGER:

5 I think the--hopefully not, but I'll tell you that the--the key here is if the attrition rate picks
6 back up, which I--I think--I just have a hunch that it will. I think we've got a number of folks
7 that have disability retirements pending. We have a number of--I just think that if the
8 economy does start to pick up any that you could see some folks leave. We've got--we do
9 have a DROP program, which is doing exactly what we hoped it would do, and that is it's
10 keeping experienced people here longer, and so that'll--that'll slow down attrition a little
11 bit. But that's the key. If attrition stays at 2 a month, we'll be OK. I'm not so sure that it's
12 going to, but only time will tell.

14 LINDA McMILLAN:

15 I think the bigger caveat is that it works if you then have a class in FY11 in July. So I think
16 they have a slight overage now because of lower attrition and the DROP program. They're
17 actually over their complement a little bit. They have 18 folks coming out in this July. From
18 the current recruit class, they'll have 18 folks graduating. 15 new? 16. OK. They--the
19 attrition rate is lower, but the 42 is then dependent on in FY11 having a July class. So, you
20 really don't end up in a--in a predictable problem unless you continue to have another very
21 tough year where you skip another class. But the 42 should hold...

23 COUNCILMEMBER KNAPP:

24 Except I guess my concern would be that we know if we do a recruit class in July, then
25 we've got a full year of cost, so we know one of the games that we generally play is, well,
26 we don't want to take the full cost, we want to--see if we want to absorb that cost over a
27 period of time, and that's just the way--because that's how we try to make the numbers
28 work. And so we all know that the numbers likely aren't gonna be any better. The
29 economy may begin to improve, but what we're gonna see from a revenue perspective
30 isn't gonna get any better between now and when we do this next year, in all likelihood.
31 And so when we get to next year, and even though we may need a recruit class in July,
32 we all know that the likely scenario is we're probably gonna push it out as long as we can
33 so we can have less of a cost accrued to that budget, because we're not gonna have
34 much additional revenue. And so while I agree with you, that would be the logical thing for

May 7 2009



1 us to do, the likelihood of us probably getting there, given what we think the forecast looks
2 like, aren't very high.

3
4 LINDA McMILLAN:

5 Well, unless you have funding that comes from other sources for police positions, which
6 may come through stimulus funds.

7
8 COUNCILMEMBER KNAPP:

9 Do we--how far out do you need to have identified number of recruits for a class? I mean,
10 so if we do this in--class is scheduled for January. At what point do you need to say,
11 "Here's our number. Our number is 60, our number is 75." You need it by the beginning of
12 December?

13
14 TOM MANGER:

15 Well, earlier than that. I mean, we--you know, because we've gotta recruit, hire, do
16 background checks. So we need to have some idea of what number we're looking at so
17 we can do all that months ahead of time, and--but I think if-- if--if a month ahead of time,
18 we know the exact number that we're gonna be able to have, we could probably work with
19 that, but I mean at least a month, maybe--maybe 2 would be better.

20
21 COUNCILMEMBER KNAPP:

22 Well, the only reason I'm asking is-- obviously, we don't have a lot of money to play with
23 this year. I'd love to put something on a reconciliation list but the other issue's gonna be if
24 your potentiality comes to fruition, where we've got, you know, we start to see more
25 attrition, how do we give ourselves enough time to see if we start to see more attrition and
26 still have enough time to put numbers in a recruit class to respond to that? So you want to
27 push as far as you can and then give you enough time to actually do it. My preference
28 would be to actually add 10 or 15 positions right now. But--what's our expectation as it
29 relates to the grants that are out there?

30
31 TOM MANGER:

32 We have applied for a COPS grant, applied for a fair number of positions from those
33 COPS grants, but here's the reality. The COPS grants have been made so appealing
34 because there's no matching funds--they pay the whole freight for 3 years--that
35 everybody's putting in for those. And I talked to the folks at the COPS office. They think

May 7 2009



1 they can fund 5,500 police officers nationwide. 5,500 nationwide. One of the criteria is
2 they're gonna look at the economic situation of the jurisdiction who's applying for them.
3 And while we are certainly in very tight times, we can't even begin to compare ourselves
4 to some of the urban centers in this, you know, in other areas of this country that have a
5 lot worse financial situation than we do. So they're probably gonna get preference. We
6 applied for...

7
8 DREW TRACEY:
9 50.

10
11 TOM MANGER:
12 What--for 50 positions. I--I will be surprised if we get close to 10. And we may not get any.
13 So--but we won't know until this fall.

14
15 COUNCIL PRESIDENT ANDREWS:
16 Mm-hmm. Yeah. Councilmember Knapp, I think that one approach here that probably
17 would be timely and allow us to respond to what the latest situation is is for the Public
18 Safety Committee to review this in September, October to see how the attrition rate is at
19 that point and whether we think that it's needed at that point to add to the class, and we'll
20 have more information by then about what happened with the application for the federal
21 positions as well as what our attrition rate is as of October, which I think would still be
22 timely for the Department in terms of being able to recruit, retain--do the investigations
23 and so on for the size of the January class.

24
25 COUNCILMEMBER KNAPP:
26 And what would it cost for an additional--I don't know, pick a number. 10 officers.

27
28 LINDA McMILLAN:
29 Well, in the January class, an officer for the fiscal year that you're in is probably about
30 \$33,000 or \$35,000. The issue is that depending on where you are with your attrition and
31 your equipment, then in the next fiscal year, you have to look at cars and full years of
32 motor pool and full year of salary. So, the larger--the fiscal impact--and this is, again, gets
33 back to your initial point--is when we add an officer in the July class, we then--the policy
34 for the past several years has been to make sure they have a car because they'll be out in
35 the field training and ready to be out on their own, so we supply another car to the fleet,

May 7 2009



1 and that makes an officer in that fiscal year not only have a full year of salary but have
2 quite a cost related to equipment. If you have--add to the January class, you're probably
3 adding about \$33,000 or \$35,000 per officer in this fiscal year, but then in the next fiscal
4 year, you have to add another half-year of salary plus the equipment and the cars are
5 generally about \$50,000 when you initially purchase them, because you have to purchase
6 the car and the computer and all the equipment, and then you have about another
7 \$10,000 of ongoing motor pool costs associated with every vehicle...

8
9 COUNCILMEMBER KNAPP:

10 Which--but we--if--presumably, if we were to do a class in July, we'd bear that cost in the
11 next fiscal year anyway.

12
13 LINDA McMILLAN:

14 Yes, you would. That's why--from the beginning, I'm saying that a lot of this is--this is only
15 about Fiscal '10 in terms of--this gets you through Fiscal '10 in terms of your attrition, but it
16 does count on you doing things in Fiscal '11 if you want to stay where you are.

17
18 COUNCILMEMBER KNAPP:

19 And that's my concern, is that if we--it takes--there's a pretty big lag that if we start to see
20 the attrition by the time we start getting bodies back trained and on the force, you're
21 probably looking at 18 to 24 months that you actually see people on the streets. And so
22 what I was trying to figure out is a way to ameliorate that lag to some degree, and if we're
23 gonna-- if we're expecting that we're gonna try and get to a class in July, then why not--
24 why not put another 10 positions in now and if we end up that we don't need them, then
25 great--then we do fewer in the class in July if we end up having a class in July.

26
27 LINDA McMILLAN:

28 You could do it that way. I--I can't remember which year it was. I do know a few years ago,
29 when we had a similar concern, we were in different fiscal times but a similar concern, we
30 did come back, I believe, in October and then did a special appropriation that the Council
31 looked at in terms of, you know, changing the size of the class for January, and that
32 seemed--the October, early November time frame seemed to work because they
33 generally--correct me if I'm wrong--but they have a list of folks. They have to get them
34 through the final phases of it, but if you were to add 10, they have who those 10
35 potentially are. They just have to take them through the final. So when we did it last time, I

May 7 2009



1 think we made our decision, I think Public Safety met, like, in October. We probably made
2 our decisions in November...

3
4 COUNCILMEMBER KNAPP:

5 And we did what? And we did it as a supplemental?

6
7 LINDA McMILLAN:

8 Special appropriation.

9
10 COUNCILMEMBER KNAPP:

11 Special appropriation? Just--I mean, there's a lot of stuff out there right now, and the
12 Council has been good this year to not put inordinate amounts of things on the
13 reconciliation list, but I still think there's an awful-- when I look at what I think the basic
14 services of county government are there to do, public safety is pretty close to the top of
15 the list if it's not the top of the list, and given what was out there--I appreciate what the
16 chair's recommended. I would--I would suggest, though, at least--at least for sake of
17 discussion over the course of the next week and we see what's competing with what, that
18 we put 10 positions on the reconciliation list and let's see what else it's competing against
19 just to-- just to get them in play.

20
21 LINDA McMILLAN:

22 And then I would also say we ought to ask what the maximum size of the class is,
23 because the academy not only is for Montgomery County Police Department recruits but
24 also for the Sheriff and at times Park Police, and we do have this potential of some
25 officers through the stimulus money. We actually do have another grant that might be
26 available to us, and we're working with our congressional delegation on potentially, you
27 know, another initiative. So I--I think there are several things out there. You can't grow the
28 class too big.

29
30 TOM MANGER:Agreed. Well, we could handle 60. 60 county police officers in that
31 academy.

32
33 COUNCILMEMBER KNAPP:

34 So ????? that'd take us to 52.

May 7 2009



1 LINDA McMILLAN:

2 And you want to account for whatever else is coming.

3
4 COUNCILMEMBER KNAPP:

5 I--I would like to at least make that motion to put it in play and see where the other pieces
6 are and go from there.

7
8 COUNCILMEMBER ERVIN:

9 I second that.

10
11 COUNCIL PRESIDENT ANDREWS:

12 OK. Is there any discussion on that?

13
14 COUNCILMEMBER ERVIN:

15 I actually, Council...

16
17 COUNCIL PRESIDENT ANDREWS:

18 Councilmember Ervin.

19
20 COUNCILMEMBER ERVIN:

21 If I could. First of all, thank you very much, Chief Manger, for all you do each and every
22 day and for every officer on the street. I know that in the district that I represent as I'm
23 looking through these maps of the growing numbers of robberies and aggravated assaults
24 and burglaries and vehicle theft, we see that that is continuing to rise, especially in certain
25 areas of the county. And I also want to thank you for being so generous with your police
26 officers, because every single civic association meeting that I have attended in the past 2
27 1/2 years, I've had someone from your staff there right alongside me, and I can tell you
28 that the number-one issue facing most of the community that I visit is crime. And the
29 perception whether it's real or not real, looks pretty real, is that crime--there's an uptick in
30 crime in our communities, and so I understand where Councilmember Knapp is trying to
31 go. I--I appreciate his efforts. I'm going to support putting 10 on the reconciliation list, but I
32 also want to bring to your attention a concern I have about downtown Silver Spring,
33 specifically, the Ellsworth Drive area, making sure, as I read through this packet, that as
34 we approach summer, we know that because of all the construction there at Ellsworth
35 Drive and where it used to be the turf, that there are hundreds, maybe thousands of young

May 7 2009



1 people who will be trying to find some space to occupy as school ends very soon. And so
2 we know that there was an incident recently where about 7,000 youth were on that site for
3 a concert, and it spilled out into the surrounding community. These are all concerns that
4 everyone on this dais has. Wherever we represent, the at-large Councilmembers, too, but
5 I'm really concerned about the police coverage for this summer and into the fall. If you
6 could speak to that and where--I'm trying to find on-- on the--in the packet where we're
7 adding or not adding officers to take care of that. If you could speak to that.

8
9 TOM MANGER:

10 Well, we're not adding any officers anywhere. Oh, I take that back--we're adding one
11 detective in the pedophile section to--because of a change in legislation regarding
12 registered sex offenders. But other than that, we're not adding. But here's what we're
13 doing in the short term, and these are short-term strategies. The--since we're not having
14 an academy session after this July, Chief Tracey is having a number of academy staff--
15 actually are gonna go out and hit the road. So they'll be on the road for this summer-fall
16 period. That'll be a few extra bodies out there. In addition, Chief Davis has her educational
17 facility officers, who obviously don't have to be in the schools, and so they are reassigned,
18 and we can reassign them. Now, that only goes until school gets back in session. Then
19 they're back in schools. And so our Police Community Action Teams spend a fair amount
20 of time down in Silver Spring. In addition, and you all spoke with Congresswoman
21 Edwards earlier. She and Congressman Hoyer and Van Hollen are all looking at providing
22 funding to...increase our gang prevention and gang enforcement activities, and that's
23 going to be centered--or that's going to be directed towards downcounty. They'll bounce
24 back and forth between Silver Spring and Wheaton, but it's--they're gonna be focused on
25 the downcounty area. So-- so we've got those initiatives that are--that we're gonna tap into
26 for the rest of this calendar year and we're hopeful that it will make a difference.

27
28 COUNCILMEMBER ERVIN:

29 Thank you.

30
31 COUNCIL PRESIDENT ANDREWS:

32 Thank you, Councilmember Ervin. Let me just ask a question. Linda, do you have--what's
33 your best estimate of--of what we would put on the reconciliation list for a cost estimate for
34 10?

May 7 2009



1 LINDA McMILLAN:

2 I'd say \$350,000.

3
4 COUNCIL PRESIDENT ANDREWS:

5 350? OK. I would suggest it'd probably make sense to put them on in 2 increments of 5
6 each to give more flexibility. OK. All right. Councilmember Floreen.

7
8 COUNCILMEMBER FLOREEN:

9 Thank you, Mr. President. I simply wanted to join in in my support of Councilmember
10 Knapp's motion, and both the comments he made and those of Councilmember Ervin.
11 We're really grateful to you. You are the statement of community comfort when you're out
12 there, when people see your vehicles, when people observe your presence, when people
13 have an opportunity to interact with you, and I think that the community support that you
14 provided, certainly in the past here where I've been engaged, has been tremendous. I
15 think the--the issues of community concern, valid or not, have been well addressed by--
16 under your leadership, Chief, and by all the officers. You see that evident in behavior in
17 every part of the county. And I just wanted to offer my support, my--and enthusiastic
18 endorsement of this proposal. I know it's a tough year, but this is as basic as it gets in
19 terms of community service, and you're really delivering, so I wanted to thank you for that
20 and offer my support for the motion.

21
22 COUNCIL PRESIDENT ANDREWS:

23 OK. Very well said, Councilmember Floreen. Thank you. All right. I think we're ready to
24 vote. All those in favor of putting the 10 officer positions in 2 increments of 5 each on the
25 reconciliation list, please raise your hand. And that is unanimous. Very good. It is
26 unanimous. OK.

27
28 UNKNOWN SPEAKER:

29 From the audience.

30
31 COUNCIL PRESIDENT ANDREWS:

32 All right. Let's go on to page 14, and there is a breakout of overtime on page 14. The
33 Police Department has done a very good job in tracking and reducing overtime over the
34 past several years, and the chart is very detailed. I think it's quite clear and pretty self-
35 explanatory. But I want to compliment the Department on their--the improved

May 7 2009



1 management of overtime and improved tracking of overtime. On page 15, there is a
2 discussion of the expansion of the speed camera program. The County Executive's
3 budget proposes that during FY10, the county's speed camera enforcement program will
4 increase to 60 fixed-pole cameras in places where the Police Department has determined
5 that there are important safety issues based on data and, of course, based on the
6 restrictions in state law about where they can be placed. And so we have a--a breakout
7 here of that. I think the--the Department has done a very good job of managing the
8 program and establishing it in a way that makes clear that the purpose is to change
9 behavior, to reduce speeding, and certainly we all see that when we're out there driving
10 ourselves in areas where there are speed cameras and they're all posted. We see how it
11 changes driving behavior, whether it's on Randolph Road outside Wheaton High School or
12 on, you know, various other places. You do see that it has reduced the speeding. There
13 have been studies done by the Insurance Institute that show that change in behavior,
14 which is the goal--and not just to change driving behavior where there are cameras but
15 the goal is to change it more generally than that. Councilmember Floreen.

16
17 COUNCILMEMBER FLOREEN:

18 Oh. No.

19
20 COUNCIL PRESIDENT ANDREWS:

21 Nope. Sorry. My fault, then. Councilmember Knapp.

22
23 COUNCILMEMBER KNAPP:

24 Thank you, Mr. President. I just--I don't have a problem with this. I agree with your
25 comments on the speed camera program. I think it has been effective. The thing I'm kind
26 of intrigued by is, and I--I would love to get some perspective from OMB on this, is we are
27 in November--October-- supposed to provide a-- an accounting to the state legislature, if I
28 recall correctly, as to how the speed camera revenue have been used to provide
29 additional funding for public safety resources, and I'm sitting here looking at page 4 and
30 it's got a list of reductions. And then we're putting this in. We're hoping to get more money,
31 but effectively, we're showing how we're reducing services and that these funds are
32 basically just to help keep us even. And so how do we then present to the state legislature
33 that the resources that we have used here are in addition to what the baseline previously
34 was?

May 7 2009



1 COUNCIL PRESIDENT ANDREWS:

2 Is that a question for OMB?

4 COUNCILMEMBER KNAPP:

5 Well, anybody else could answer. If anybody's got a good answer, I'd love to hear it.

7 ALEX ESPINOSA:

8 What we provided to Council staff was an accounting of how, in the Executive's
9 recommended budget, speed camera--net speed camera revenues are being utilized, and
10 that's on circle 38.

12 UNKNOWN SPEAKER:

13 OK.

15 ALEX ESPINOSA:

16 So that's a clear delineation of the uses of the net revenues, what they're being put
17 towards. And...to speak to your point directly, I'm not gonna argue the point. I'm just
18 gonna provide the context within which the recommendation was made. As everyone
19 knows, we're facing a significant budget gap to close. All sources needed to be identified
20 and all reductions need to be considered in order to close that gap. Now, in any fiscal
21 year, in a typical fiscal year, a mandate like that is-- is manageable. I believe we--we were
22 facing an extraordinary circumstance in the FY10 budget. A mandate like that is extremely
23 difficult to comply with under those circumstances, so within the context of what we were
24 facing, it became absolutely necessary to make these kinds of decisions.

26 COUNCILMEMBER KNAPP:

27 OK. So-- but in the previous years, we think we can make a legitimate case that we spent
28 those resources above and beyond?

30 ALEX ESPINOSA:

31 Absolutely.

33 COUNCILMEMBER KNAPP:

34 So that-- so that--so that's effectively what our presentation will be. For the years that we
35 could, we did it. For the years that we couldn't, we didn't, and kind of having it like we

May 7 2009



1 present it to the State Board of Education. That it's an unusual year, and kind of beg the
2 court's leniency.

3
4 LINDA McMILLAN:

5 The report is from the County Council. That's right. It will come from us, so we need to be
6 able to document ??????

7
8 COUNCILMEMBER KNAPP:

9 One of the reasons I'm asking the question. And so it may be helpful for us to have the
10 Executive branch work with us on that and perhaps even provide clarification as to that
11 which was just provided so that that accompanies whatever submission the Council may
12 have so that everyone recognizes we're all on the same page as to the difficulties that the
13 county was facing and that while these were reluctant choices, these were choices that
14 we all took together.

15
16 COUNCIL PRESIDENT ANDREWS:

17 Yes. I agree. And we'll work closely with OMB as we develop that report to the General
18 Assembly that...

19
20 ED PIESEN And we are working closely with OLO to prepare that report.

21
22 COUNCIL PRESIDENT ANDREWS:

23 Yes. That's right. OLO is gonna--

24
25 ED PIESEN

26 Have a uniform presentation of the numbers that show we provided accountability.

27
28 COUNCIL PRESIDENT ANDREWS:

29 Yes. That's right. They are...

30
31 COUNCILMEMBER KNAPP:

32 Have a letter from the County Executive accompanying it with it.

33
34 COUNCIL PRESIDENT ANDREWS:

May 7 2009



1 There we go. Thank you. Any other questions about this item? All right. I'm gonna go over
2 now to--the Chief mentioned that we're adding an investigator to the pedophile unit, and
3 the Committee recommended approval. Item 4 on page 17 is notable and that is that this
4 will be the first year that the Department will begin the video camera program in the patrol
5 cars. This is a long time coming, to say the least, and this will be funded through a
6 Homeland Security grant. It will begin this program. Other Departments, many of the
7 Departments do have video cameras in patrol cars, and they have served a number of
8 purposes. They help document what happens. They can be a record if the officer can't
9 report--if they become disabled or hurt or killed--what--what happened. Get a license plate
10 number. They can back up what has occurred, and they have been effective, I believe, in
11 other jurisdictions that have implemented them, and this will be our initial step here. So--
12 so that is a summary of that expenditure. And finally, the-- part of what the Police
13 Department does is administer the--the Animal Services Division, and there is some
14 information at the end of the packet about the contract with the Humane Society, which
15 we contract with as well as the Second Chance Wildlife Center, which is used extensively
16 as well. Those are the major changes, I believe, and if there are any questions, we can go
17 into more detail. Seeing none at this point, we'll have a preliminary approval, then, of the
18 Police Department budget and note the items that are added to the reconciliation list.
19 Councilmember Knapp.

20
21 COUNCILMEMBER KNAPP:

22 Sorry. I've been asking this about most Departments. How many folks do you actually
23 have that are eligible for retirement? I mean, I know that you don't have the RIP. You've
24 got a different-- it's a different structure, but do we have...

25
26 DREW TRACEY:

27 You say does it have-- ????? eligible with 25 years or more or early retirement or--
28

29 COUNCILMEMBER KNAPP:

30 Yes.
31

32 DREW TRACEY:

33 Yes. We have a--we have a--ha. We have approximately 35 officers that are participating
34 in the drop program, which allows them to stay up to 3 years. So, basically, they're retired

May 7 2009



1 and they can stay up to 3 years. On top of that, we have approximately about 55 to 65
2 others that could go out retirement at this time.

3
4 COUNCILMEMBER KNAPP:

5 55 to 65. And of those officers in the drop, since they've got that 3-year period, so--at any
6 point in that--don't they give some notification?

7
8 DREW TRACEY:

9 2-week notification they can leave, basically, is what it is, because they're basically retired
10 and hired back up to 3 years.

11
12 COUNCILMEMBER KNAPP:

13 OK. Thank you very much.

14
15 COUNCIL PRESIDENT ANDREWS:

16 Thank you, Councilmember Knapp, and there are no other questions, so thank you all
17 very much. Good to see you. Thank you for the good work. Our next budget that we're
18 gonna take up will be the Economic Development Fund and Economic Development, and
19 I'm gonna turn to the chair of the Planning, Housing, and Economic Development
20 Committee for these reports.

21
22 COUNCILMEMBER KNAPP:

23 Thank you, Mr. President. I appreciate it. Our first issue is the Economic Development
24 Fund, and I would invite our folks from Economic Development to come join us. Our new
25 director on his ninth day on the job.

26
27 STEVE SILVERMAN:Who's counting?

28
29 COUNCILMEMBER KNAPP:

30 Economic development has been subject of a lot of discussion. Mr. Leventhal had asked
31 the Office of Legislative Oversight to do a report, review of budget and strategies, which
32 was a very thorough and complete report. One of the challenges that the Committee has
33 faced over the past year is we started engaging on a discussion on the economic
34 development strategy last June at the completion of our budget process because there
35 wasn't a lot of information available prior to that. We had some very good and productive

May 7 2009



1 work sessions during the course of the year. We now face our-- we now confront a
2 situation where we have a--a new director and presumably some different strategies
3 underway, and so while OLO has identified a number of very good issues, the
4 Committee's discussion really said while we think it would be great to have a dialogue
5 around those issues, until we get the new director in and can basically get through the
6 budget process, we'll have to wait till early summer to really engage in a lot of topics that
7 they've raised because they go to organization, to methodologies about how you measure
8 the effectiveness of programs and a variety of things, all of which are worthwhile issues,
9 but until we have a director that's engaging on those issues, it was difficult for us to really
10 converse as a Committee. So when it relates--when it comes back to the economic
11 development fund, the recommendation was to basically appropriate a similar amount to
12 what was in last year, which is \$852,440, and the Committee was fine with that. One of
13 the things that did come up, though, in light of events that Mr. Berliner and others on the
14 Council raised in conversations with the County Executive and the Chief Administrative
15 Officer earlier this year is if there are significant opportunities that present themselves that
16 are going to clearly benefit the county in the area of economic development, that we
17 would urge the Department and the Executive in all due haste to approach the Council as
18 it relates to any resources that may be required to be very--put in very competitive bids for
19 those projects. There was a reluctance, I think, on the part--there was a--a perceived
20 reluctance that perhaps the Council might not have been accepting of that kind of a
21 dialogue, and I think the Committee and I think other Councilmembers have been very
22 clear over the past months that we would--we would welcome that dialogue and would
23 encourage the Executive branch to do so, and really want to make sure that we are
24 putting our best foot forward in whatever bids are out there--and organizations to be
25 sought or to be retained in our county. I see Mr. Silverman has some comments.

26
27 STEVE SILVERMAN:

28 Thank you, Mr. Chairman. I appreciate the opportunity to join you all and to try as best
29 possible to answer questions in my--whatever day on the job it is. Two things. The macro
30 issue is, I've had a chance to look at the OLO report. I intend to sit down with Karen
31 Orlansky and her team to hear firsthand their thoughts about this. Obviously, it's a-- it's a
32 starting point for us indeed to examine the issues that have been raised, and we look
33 forward to coming back in summer or the fall with the PHED Committee specifically and
34 the full Council to discuss the actual implementation of the strategic plan. For those of you
35 who were around in 2004, when the plan was adopted, the question was, well, it's a great

May 7 2009



1 plan. Now how do we actually go about implementing it? And quite frankly, that was a
2 source of frustration for many of us about whether we were gonna get to that next step of
3 how do we actually implement the plan and--and see what--what's working, what isn't
4 working. So we look forward to working with the PHED Committee and the full Council on
5 what I'd call a strategic implementation plan for--for our strategy. With regard to the
6 economic development fund overall, when I--and I promise I'll only make these comments
7 because I just got here. A month from now, you won't ever hear me refer to my prior life.
8 But when--when I was on the Council, we had a larger economic development fund, and
9 there was a consensus on the Council to reduce it, to create enough work--in effect,
10 working capital to--to be able to do what we needed to do but to address the exact point
11 that Mr. Knapp has raised, which is there's a placeholder amount here that we think is
12 necessary to do what we need to do on a daily basis, but when the opportunities present
13 themselves that the Executive branch should not be shy about coming over to the Council
14 and saying, "Here's an opportunity." Now, that always happened, and I think will always
15 continue to happen on what we call sort of the home run projects, because those are
16 special issues involving significant amounts of money and that will always happen. But
17 I've talked with my staff about making sure that we see what kind of opportunities present
18 themselves and, when appropriate, discuss it with the Executive with the thought of
19 having to make modifications as appropriate. Bottom line is, we--at least, my feeling is
20 don't want to be hamstrung specifically by the dollar figure that's in here if there's an
21 opportunity that presents itself and we can make the compelling case. I would also remind
22 everybody that this is just one tool in the arsenal. It tends to get the most publicity
23 because when you're giving a-- a loan or a grant to a company, that's what sort of makes
24 the headline--"County gave x number of dollars. State gave x number of dollars." We have
25 a lot of other tools in the arsenal and we--we use them all as appropriate, because in
26 some cases, quite frankly, hard to believe, companies aren't necessarily looking for, you
27 know, the cash or the loan. They're looking for how long is it gonna take you to get
28 through the planning process? How long is it gonna take you to get through the permit
29 process? And those are the kind of things that we need to focus on as well, so look
30 forward to working with the Committee and--and full Council on these issues.

31
32 COUNCILMEMBER KNAPP:

33 And now to build on that point, that was also a topic of conversation within the Committee
34 is around this. Do we have all of the right tools? And to make sure that as business
35 climates change, businesses may be looking for different types of incentives than they

May 7 2009



1 have in the past, and we need to make sure that we're pretty nimble to be able to--to
2 address that as well. Is it green tape procedures? Is it other things? And to make sure that
3 we are making sure that we're looking at all those tools on a regular basis, and so we're
4 not kind of hamstrung when the right thing shows up, and so I think that's another piece
5 that the Committee's very interested in making sure happens.

6
7 COUNCIL PRESIDENT ANDREWS:

8 Councilmember Knapp, there are a number of questions or comments. Would you like to
9 have them now or do you want to go through the packet...

10
11 COUNCILMEMBER KNAPP:

12 For the economic development fund, that is the packet. We recommended \$825,000, or
13 \$852,440, and that was the Committee's recommendation, so ????? EDF, then let's do
14 that now and then we'll go to the Department.

15
16 COUNCIL PRESIDENT ANDREWS:

17 Very good. Councilmember Leventhal is first.

18
19 COUNCILMEMBER LEVENTHAL:

20 My comment is about the Department, so I'm happy to go ahead and speak now because
21 you've recognized me. It's not about the EDF specifically.

22
23 COUNCIL PRESIDENT ANDREWS:

24 All right. Let's stick to the fund first, OK? Let's--let's get the fund done first, then go to the
25 Department. Councilmember--oops, sorry. Councilmember Trachtenberg was next.

26
27 COUNCILMEMBER TRACHTENBERG:

28 Mm-hmm. Thank you, President Andrews, and thank all of you for being here this morning
29 and in particular Director Silverman for your appearance this morning. Just 2 quick
30 questions, and one has to do with the efforts or expenditures that have been
31 contemplated for women-owned businesses, and this really goes a little bit to what is in
32 the packet specific to OLO's recommendations, and I wonder about the feasibility of
33 tracking this category. I'm particularly interested in this because I know that national
34 evaluation shows that, for instance, in the area of health-related I.T., that it is women-
35 owned businesses that, for the most part, are having the greatest success with that

May 7 2009



1 particular opportunity. So I wondered what we're contemplating in terms of-- of tracking
2 this category.

3
4 STEVE SILVERMAN:

5 Thank you, Councilmember Trachtenberg, for your comment. My understanding is we can
6 do that. I'm gonna defer to Peter.

7
8 COUNCILMEMBER TRACHTENBERG:

9 Mm-hmm.

10
11 PETER BANG:

12 The applicant itself, we do not capture if they're a minority or women-owned, but by
13 definition of the interview and in-depth discussion with the company, we can decipher and
14 decide what is women-owned and minority-owned. So we can definitely track and publish
15 that.

16
17 COUNCILMEMBER TRACHTENBERG:

18 Yeah, I--I think that'd be important to do. And in terms of the grants and loans themselves,
19 what is the policy on matching private investment? I haven't had the benefit directly of a
20 PHED Committee discussion on it, but I--I wondered if you could, Steve, offer some
21 comment on what the current policy is on that.

22
23 STEVE SILVERMAN:

24 Apologize, but again, I'm gonna defer to Peter about...I know it's a very--I know it's a very
25 complicated issue, but I don't think we've got a specific formula ?????

26
27 PETER BANG:

28 In general, there is no clear-cut criteria or duration that we use. The-- historically, we have
29 only funded anywhere from 2% to 5% of the total project cost. So by virtue of the percent
30 breakout, when the company applies for the grants and loan program, we do have to
31 analyze their potential fiscal impact to the county, and we use a standard model co-
32 developed with the Department of Finance. And when you plug in certain numbers,
33 including the average compensation for each jobs, it--excuse me--it ????? certain bottom-
34 line numbers, and based on the impact of the bottom-line numbers, we tried to invest a
35 dollar amount that we can recoup anywhere from 2 to 3 years.

May 7 2009



1
2 COUNCILMEMBER TRACHTENBERG:

3 Mm-hmm.

4 PETER BANG:

5 Other jurisdictions use anywhere from 5 to 10 years. Sometimes, state go all the way to
6 the 15-year recuperation period. So historically, when we look at our portfolio, I can assert
7 that we have only fund the maximum 5% to 10% of given projects' total cost. So if the
8 company received \$100,000 in EDF grants, we can typically assume that the company is
9 ????? past portfolio would invest anywhere from \$5 million to \$10 million, plus they would
10 either retain or create anywhere from 50 to 150 jobs.

11
12 STEVE SILVERMAN:

13 The--I mean, the bottom line is it's a small amount. We don't have a--sort of a specific
14 formula because, again, the analysis is made on a--on a fiscal basis, and then there's also
15 an analysis based on the type of company that we're interacting with, and in some cases--
16 so the--the good side of a bright line test is everybody knows what it is. The bad side is
17 that you may want to be supporting a particular type of company, particularly, for example,
18 in this era of talking about the green jobs and green economy, there are gonna be a lot of
19 start-up opportunities that we think we can capture here in the county and encourage, and
20 that--this type of flexibility that we have provides us that opportunity to look at targeted
21 investment opportunities where we can bring companies and jobs to the county.

22
23 COUNCILMEMBER TRACHTENBERG:

24 Mm-hmm. Well, I appreciate the response, and Steve, you actually went to the point that
25 had me raise the question in the first place, which is the importance of addressing start-up
26 ventures at this time. Clearly, with the economy looking the way that it's looking, that's
27 gonna be of particular interest for the county to do and focus on, so I appreciate the
28 response.

29
30 COUNCIL PRESIDENT ANDREWS:

31 Thank you, Councilmember Trachtenberg. Council Vice President Berliner.

32
33 COUNCIL VICE PRESIDENT BERLINER:

34 Director Silverman, just a follow-up to Chairman...

May 7 2009



1 STEVE SILVERMAN:

2 Oh, jeez. Call me Steve.

3
4 COUNCIL VICE PRESIDENT BERLINER:

5 No, I'll call you Director Silverman. I'm old school. One of the concerns I have, and I've
6 shared it with you, is that our--our policy to date has been focused, if you will, more on the
7 home run than it has been on retention, and in this economic climate, I do believe
8 retention is as important, if not more important than it is of getting the home run. So I am
9 hoping that these funds will be used for retention, and I have understood from our last
10 conversations with respect to retention that there are problems with the state programs
11 insofar as it typically requires that there be a showing of expanding the job opportunities in
12 Montgomery County in order to be eligible for that. To the extent to which that is a
13 constraint on our being able to leverage--leverage state dollars, then I hope we will have
14 conversations with our state delegation with respect to whether or not we need to modify,
15 in this economic climate, the criteria that is used for purposes of providing dollars to
16 companies that are very important to our community that are being lured by other
17 communities with more favorable opportunities than we may be able to offer off the top,
18 and therefore to compete to keep our businesses. So when I look at the dollars here, I
19 don't see a breakdown as to how much of these dollars are to be used for, if you will,
20 going after new businesses, and how much of these dollars are gonna be used for
21 retaining businesses, and didn't know if you had your own sense as to where that balance
22 may be.

23
24 PETER BANG:

25 Mr. Berliner, those statistics are clearly broken down in the EDF annual report.
26 Historically, over the past 12 years, we have used about 85% of our resources towards
27 retention projects. Total number of ????? total dollar value, absolute dollar value, always
28 spent about 85% towards retention projects. Now, obviously, like you pointed out, those
29 retentions did accompany expansion component as opposed to straight retention. So...

30
31 COUNCIL VICE PRESIDENT BERLINER:

32 Let's assume for purposes of this conversation that you had a company that was not going
33 to expand but that was a big company, all right, a big, existing company. It wasn't going to
34 expand and was being lured by, let's say, Texas to go down and move there. I don't know.
35 Does this sound like anything that you might have heard about?

May 7 2009



1
2 STEVE SILVERMAN:

3 Hypothetical.

4 COUNCIL VICE PRESIDENT BERLINER:

5 Hypothetical. So in that hypothetical context, it seemed to me that we would be hamstrung
6 to the extent to which we need to make a showing that they were going to in fact increase
7 job opportunities here in Montgomery County.

8
9 STEVE SILVERMAN:

10 Well, if I may, Councilmember Berliner, first of all, we are aggressively engaged with any
11 companies that sort of--we find out about are looking at moving to--to other jurisdictions,
12 including the hypothetical that you've given. Second of all, one of the things that we try to
13 do is to sit down and talk with these companies about what their plans are, and oftentimes
14 what starts out as a discussion about retention is really--when you find out what their
15 plans are over the next 2 to 3 years, often involve some type of expansion. So, that opens
16 the door, I think, to interacting with the state. But you raise a very good point. I'm meeting
17 with Secretary Johansson I want to say next week. I apologize. I just can't remember
18 which day it is. And this will be one of the topics of conversation about--first, obviously,
19 how we can work very closely with--with DBED, but whether there are constraints on their
20 program. We don't have those constraints on our program, but to the extent the state has
21 that, then you're absolutely correct. In this economic climate, it's a discussion that we
22 ought to have now of whether we need legislative--you know, whether there's a state
23 legislative change that's necessary or whether the governor can do it by regulation. We'll
24 talk to him about it, but I--I think they're--I think they're recognizing the same--same
25 situation, which is as it is in--in sales in the private sector, a lot easier to hang on to the
26 clients that you have than to get new clients, and there's not a lot of point in getting new
27 businesses coming in the state if a bunch are leaving out the back door. So retention is
28 sort of job one, and followed with looking at expansion opportunities for them and then, of
29 course, the new business opportunities that may present themselves.

30
31 COUNCILMEMBER KNAPP:

32 No, I thank--thank the Councilmembers for their comments and remarks, and that is
33 something we're seeing. The area we've been very successful in in life sciences has now
34 created a number of companies who are kind of in that middling stage that other states
35 are looking at as very attractive targets, and so we're gonna need to figure out what are

May 7 2009



1 ways that we can keep all of them here because they're--we've--we've helped them get to
2 the hard part. Now they're getting to the part where they're almost being able to
3 commercialize their product, and we don't want them to go somewhere else now. So. And
4 we now turn to the actual Department of Economic Development operating budget. A
5 couple highlights. The Committee recommended a budget for \$10,357,510, which
6 includes a reduction of \$1.3 million submitted in the Executive budget adjustments. This is
7 a result of stimulus dollars we get--got in the area-- received in the area of workforce
8 development, which was actually very exciting. The Council and the county Executive in
9 January asked our congressional delegation to provide additional resources in this area,
10 and unlike the way things usually happen, it really worked this time. We actually got
11 resources and it's going to a very important element, which is job creation especially
12 focused on--in the area of youth development, and so it's very exciting that we've got
13 those resources, and we want to get them to work as fast as we possibly can. As I
14 referenced earlier, we will be meeting with the new director and his team as to the
15 strategic plan and vision as it relates to tools for retention, tools for new development, and
16 we'll be spending a lot of time on that in the coming months, and to the extent that any of
17 our colleagues are interested, I would urge you to attend. I will also try to do periodic
18 updates and work with the Council President, so the Council kind of has a better sense of
19 the direction in which the Department is heading, because at this--as we try to weather
20 through this difficult economic time, I think it's important for us to understand what are--
21 what is our frontline experiencing and what are we going out the door with so that people
22 really feel that we are engaged very actively in trying to make sure that we are as
23 economically viable as a county as we possibly can be. And then we will also spend time
24 this fall on planning and outlining-- outlining options for reducing or stabilizing incubator
25 costs. They have been a very, very successful tool in the arsenal of economic
26 development, but they can also be very costly and while we have as many of them
27 scattered throughout as we do, are there places that we can find efficiencies and--and
28 make sure that they are as--as truly successful as they possibly can be in generation of
29 new business. And so we'll spend time on that in the fall. I see that Mr. Leventhal has--

30
31 COUNCIL PRESIDENT ANDREWS:

32 Yes, he does. Councilmember Leventhal.

33
34 COUNCILMEMBER LEVENTHAL:

May 7 2009



1 Yeah. So, we had this conversation yesterday about the unfortunate circumstance of the
2 building that we were hoping to see constructed at the corner of Flower and Arliss in Long
3 Branch, and--and as I was driving home, I thought a lot about the discussion that
4 Chairman Knapp and Mr. Elrich and I have been having about whether and how and when
5 community development and economic development ought to be merged, and what we
6 learn from this episode where--and I don't think Long Branch is unique, but it's much on
7 my mind and it has been for a long time, where it just doesn't seem like the coordination is
8 what it ought to be, and those program staff who had Long Branch in their portfolio weren't
9 in your Department, but program staff who were in your Department were making
10 decisions that undermined some goals that the Council had for the area. I--I'm not going
11 back over old ground. We've already settled the matter on the--on the building, but I--I
12 think, having thought through-- I mean, to be--look, we got this OLO report, and the OLO
13 report suggested...to put the nicest possible face on it, that you have a challenged
14 Department, and that it has been a Department with...that has not had strong outcome-
15 based approaches to its strategy. And now you're here and we're delighted you're here,
16 and-- but the question is, if you really want to see community development, which is what-
17 - you know, I think several of us are looking at. We want, you know, not only the big fish
18 but also the little fish. We want not only to try and attract businesses from other areas and
19 other countries, but we also want to shore up those businesses that are here and
20 strengthen what we've already got. That's a community development discussion as much
21 as it is an economic development discussion, and I don't see how you separate those 2
22 things. I think when--with Long Branch as an example, we want to attract capital. Well,
23 that's the job of your Department. So what I'm saying is, I've been thinking a lot about this,
24 and I'm--I think I'm more persuaded than ever that merging those 2 functions does make
25 sense. So-- and my--and my expectation is, now, we've had a bill drafted from staff, and I
26 haven't had the chance to get together with colleagues who have expressed interest in
27 this since it was drafted. But--you know, I--I'm having this conversation here in public on
28 television because I-- I think that this experience with the unfortunate lack of
29 communication and coordination on this Long Branch project, would that make me have
30 less confidence in your Department, Steve, or does it make me have more confidence in
31 an approach that says we should merge the community development and economic
32 development functions, and having thought about it, I'm coming out in the latter place. I
33 think we--we're gonna have to force coordination here, because it isn't occurring. Now,
34 because this was a pretty bad episode, one might say, "Well, forget that. Why don't you
35 merge it all in Rick Nelson's Department instead?" But--but I--I think that's not the right

May 7 2009



1 approach, either. I think we do need a housing focus from the housing Department, and I
2 think we need--the linkage between community development and economic development
3 is so close that--that, as I say, having reasoned through this and thought about this with
4 this Long Branch episode as an example...

5 UNKNOWN SPEAKER:

6 Here I thought you were just looking over my shoulder.

7
8 COUNCILMEMBER LEVENTHAL:

9 I think it does make sense to better coordinate. So now is not the time to consider that
10 legislation, but we are looking at your budget for the year and if this legislation were to be
11 taken seriously by the Council, if it were to pass the Council, in fact, it would have to occur
12 in FY10. So--and there would be budget implications, obviously. So, we're not gonna
13 make that decision here, we're not gonna make that decision as part of budget, but we're
14 talking about your Department now, we're talking about your leadership and the great
15 things we look forward to your achieving, and this is much on my mind. So, I just--I just
16 wanted to walk you through my thought process and--and have the benefit of sharing with
17 all my colleagues, which I can only do here in public session, that that's the thought
18 process that--that has occurred for me with this Long Branch episode, you know, sort of
19 stimulating some--some thinking on my part.

20
21 STEVE SILVERMAN:

22 Thank you very much, Councilmember Leventhal. Let me make just a couple brief
23 comments. First is, I appreciate what you're saying about the-- the challenges within our
24 Department. I will say this: I've had a chance to meet probably half the staff so far. I'm
25 working my way through everybody to be able to sit down, talk with them one on one, and
26 get an idea about what they have been doing, what they are doing, and what they want to
27 do. Because we do have flexibility, some flexibility within the Department, to shift folks
28 around, I mean, in a collaborative way, but a business specialist who might be working on
29 some particular area can be moved to a different priority if the Department feels and if we
30 think the skill set is there. So we've had some good discussions already. I'll probably be in
31 a better place at the end of May to sort of see what the opportunities are, but to go to your
32 point about outcomes, and this is part of my experience on your side of the table, the
33 Department of Economic Development, in my opinion, has been too narrowly focused. It
34 has been viewed as "can you retain or bring in new businesses to the county?" I think
35 that's a really important piece. That is a fundamental piece of the Department. But the

May 7 2009



1 macro issues that you've raised and that the county Executive is involved in have to do
2 with making sure that we build a strong local economy. So, for example, this county
3 Executive, unlike previous County Executives, is going to play-- is playing, will continue to
4 play a very assertive role in the master plan process. We've got two enormous master
5 plans-- I'll throw Germantown in as well--but I'm thinking specifically about White Flint and
6 about the science vision, Gaithersburg West master plan, which are very broad macro
7 issues about impacting the economy of this county and the direction we want to go in, and
8 the County Executive is very interested in that, and I'm part of sort of a working group of
9 folks that are gonna play a role in developing our position and hopefully working with the
10 Council specifically to not-- you know, to go through a very thorny process, because I
11 know how--I mean, it'll make the Shady Grove plan look like, you know, child's play when
12 we-- when you all get to Gaithersburg West. But I think that's an area that this Department
13 wants to spend some--some time and focus on, but the same with regard to community
14 development. Nothing was more frustrating to me than this issue of the divvying up of
15 responsibilities for communities that everybody agreed there ought to be some attention
16 and focus paid on. Specifically, you know, just mentioned two --Long Branch and
17 Wheaton. Now, you can go about things in a couple different ways. You can rearrange the
18 deck chairs if you want, and we ought to have that discussion, but I wouldn't presume that
19 simply consolidating functions in one Department is gonna produce the results that you
20 want, and I-- I'm not gonna speak for Rick, but I think we've already talked about this
21 particular issue and would like to have, quite frankly, an opportunity before a bill is
22 introduced rather than afterwards to talk through these issues, because I've already met
23 with several of my colleagues. We have partnerships. We have partnerships with HHS, we
24 have partnerships with Corrections, with DHCA. Tell me what I'm missing. DGS on the
25 small business program and others. DPS, Permitting, and at least my intention is to follow
26 up on those discussions I've already had, and when you've got an issue like Long Branch,
27 it would be my intention to identify the people who, in effect, need to be in the room, to
28 bring them together so we can have some type of a coordinated strategy around a place
29 like Long Branch. As you know, I think, the Wheaton Redevelopment Office has been
30 moved under the umbrella of the Department of General Services. I've talked to David
31 Dise about that. We intend to put together a working group, interagency working group,
32 bringing everybody to the table that's necessary to take a look at where we are with
33 regard to Wheaton. So, when you--going back to the basic point about outcomes and
34 community development, DED is gonna play a role, but we're--we're a player, and I think
35 what--what I'm saying is we want to be able to work with the other agencies and the most

May 7 2009



1 important thing is not to get bogged down in the bureaucracy but to basically say, "If we're
2 gonna talk about issues involving Long Branch, who needs to be there?" DED, the police,
3 DHCA, who needs to be there and to develop a strategy, quite frankly, from our standpoint
4 as to who's gonna take the lead on some of these issues. That to me is the thing that I
5 would like to work on in the next 30 to 60 days on some of these community-based
6 projects, quite frankly, rather than--and then come back and say, "Here's what we are
7 proposing," rather than to have a dialogue in effect be boxed in by a piece of legislation
8 which requires people to, I think, be forced to take positions much earlier than--to have a
9 dialogue about things. That would be my preference. Obviously, Councilmembers are free
10 to drop in whatever bills they want, but quite candidly, I would rather have 30 to 60 days to
11 talk through with our folks about community development issues and to have a dialogue
12 with individual Councilmembers about this rather than to have it in the context of a piece
13 of legislation.

14
15 COUNCILMEMBER LEVENTHAL:

16 May I reply? First of all, I had not really focused in my mind on the point you just raised,
17 which is that Gary Stith was given a new job and it's under David Dise, and I don't know
18 whether that makes sense, either, I mean, so, you know, we do--we do need to have a
19 conversation about whether that makes sense. So I'm--I'm always happy to dialogue with
20 you and Rick and David and Gary and anybody else. I'm not opposed to dialogue. I--I...I
21 think that there have--that there are very significant areas in the Department of Economic
22 Development where focus has been lacking, a sense of urgency has been lacking, and a
23 strategic vision has been lacking. I'm not the only one who thinks that. OLO thinks that in
24 the report that they did at my request. So...so--so there's got to be some way to--without
25 repeating everything that was said earlier, there's got to be some way to clarify the
26 mission, clarify the vision, and... and--and I don't--you know, I think that there--several of
27 us wrote to the county Executive to express our concern that there was--that there was
28 drift in the Department, and we still feel that way, although you're here now and that's--I
29 mean...

30
31 STEVE SILVERMAN:

32 Hey, give me a few days, will you? Come on.

33
34 COUNCILMEMBER LEVENTHAL:



May 7 2009

1 Right. That's all right. I mean, we're--of course we want to give you--of course we want to
2 give you the opportunity to get in and fix the problem that was identified. So, of course I'm
3 happy to have dialogue. Whether I'm inclined to wait 60 days to introduce a bill, not really,
4 now. But, I mean, you introduce a bill, you know--

5
6 STEVE SILVERMAN:
7 About 45.

8
9 COUNCILMEMBER LEVENTHAL:
10 Well--

11
12 STEVE SILVERMAN:
13 I think what I'm trying to express to you is that there's a real opportunity here, I think, to
14 get to the place that you all want to get to with my Department and with other
15 Departments. I think the starting-off point is not, with all due respect, to sort of reorganize
16 Departments. I think the starting-off point is what-- what are you trying to focus on and are
17 there any impediments that are created because you've got multiple Departments. If there
18 are impediments, then I do think it's appropriate to sit there and say, "You know, this just
19 doesn't work because you just don't have any real lines of authority here and there's too
20 much bureaucracy involved." I guess I'm saying again, with as much respect as I can, I
21 haven't reached that conclusion yet because I haven't had a chance, quite frankly, to sit
22 down with you, Councilmember Leventhal, and other Councilmembers, nor have I had to
23 sort of--had the opportunity to drill down and say, "Well, if we were gonna put together a
24 working group on Wheaton or Long Branch, who needs to be at the table, and is
25 everybody gonna play well?" When Silver Spring occurred, one of the reasons why Bill
26 Mooney was sent to Silver Spring was he was an assistant CAO, and he had the clout to
27 basically say, "We're gonna bring everybody together. We're gonna focus on Silver
28 Spring. We're gonna get the job done." That was Doug Duncan's approach to things
29 before that. You add a whole bunch of Departments that were all doing different things
30 and you did not have coordination. And I think this county Executive is interested in having
31 coordination among the Departments that have multiple responsibilities for areas, and I
32 think we'll be in a position within, you know, 30 days, 45 days, you know, to know what the
33 lay of the land is, and I think I'm just expressing the view that we'd like to have an
34 opportunity to share that with all of you. And then, if you don't reach the same--you know,
35 if we think we can do it without, you know, changing Departmental responsibilities, we'll

May 7 2009



1 express that view and have a dialogue with you. If you don't agree, put a bill in, and then
2 we have, you know, we have a discussion. I just think that once a--at least, my experience
3 has always been once a piece of legislation is dropped in, then people start figuring out
4 their turfs. Constituent groups start saying, "Gosh, I really think it would be--I would do
5 better with--" and the most recent example, my personal experience, was in Annapolis.
6 The Attorney General was very interested in supporting retirement communities, like
7 Riderwood. The folks from Riderwood and elsewhere, they are under the aegis of the
8 Department of Aging. They don't like interacting with the Department of Aging. I'm not
9 saying anything publicly that they haven't said. So they wanted the entire regulatory
10 scheme for CCRCs to be--Community Care Retirement Communities--to be under the
11 Maryland Insurance Administration. There had been no discussion or dialogue. They just
12 wanted to get out of DOA, and so they ended up with a discussion during the legislature
13 where there were some changes made to some practices within the Department of Aging
14 that satisfied what they were primarily concerned with, and I'm just saying that rather than
15 get into a dialogue about, boy--or creating the impression that somehow everything is
16 gonna change if you move responsibility from here to here, I would rather at least have
17 the opportunity to talk through, you know, what we can do with the structure the way that it
18 is and go from there. That's all I'm respectfully asking, and we don't have to take 60 days.
19 We can do it before you go on recess. That's not an issue.

20
21 COUNCILMEMBER LEVENTHAL:

22 Well, of course I'm happy to talk with you, Steve, and you, Rick, and anyone else.

23
24 COUNCIL PRESIDENT ANDREWS:

25 Thank you--thank you, Councilmember Leventhal. Anything else? OK. Thank you,
26 Councilmember Leventhal. Councilmember Elrich.

27
28 COUNCILMEMBER ELRICH:

29 This is a really interesting discussion. I've tried to actually push this discussion out for
30 almost 2 years, so, I'm glad we've arrived at this place. A couple things I want to say about
31 your comments, Steve. You wanted to avoid the circling of the wagons in defense of the
32 institution, but that's happening already, and we all know that's happening, so my view of
33 this is I do think the thing needs to be reorganized, and I think the approach has to be, if
34 you were starting over again in doing economic development, how would you organize the
35 Departments in the county to carry out that mission, not how do you preserve the interests

May 7 2009



1 of the existing Departments? I could care less how things get rearranged. We shouldn't
2 approach this that some Department has a vested right to x number of positions and x
3 activities." The purpose should be trying to get the economic development program right.
4 And if it results in changes, and if it results in empire shrinking and empires expanding, I
5 don't care what shrinks and what expands as long as the outcome gets us where we need
6 to go. And--and I don't think that what we do works very well. I don't think that what's been
7 identified as drift under, you know, whatever we want to call it is something new. I think
8 the focus in the county for a long time has been on the big and not the small, and there's
9 not much satisfaction at the neighborhood level at a number of cranes rising along I-270,
10 and you go to your neighborhood shopping center and you stare at a bunch of empty
11 storefronts. You know, the real value to the community and the things that make people
12 feel good about their community are-- are having these--these small strip centers,
13 however 20th-century passe they are, having them successful and having, you know,
14 businesses be able to go in there. These are the--more or less the--in a lot of ways the
15 incubators for business talent in the community. You know, the small business,
16 particularly small local businesses, find it very hard to move into the big malls and the big
17 economic development projects. The places where there's room for people are, you know,
18 in the smaller shops that line Georgia Avenue and the smaller shops in Wheaton, and
19 that's where talent gets developed and that's where entrepreneurial skills get developed,
20 and we need to be able to preserve that activity, so--to me, it's really important that we--
21 that we do reorganize. I agree with your comment about who needs to be at the table,
22 because even if you're doing Long Branch or Wheaton, the only person at the table
23 cannot be Economic Development. There's certainly a role for Housing and Community
24 Affairs, just as there is a role for the police and recreation and everybody else. The
25 question is, who takes the lead and coordinates on the economic piece? And I think there
26 has to be one Department that coordinates on the economic piece. George was right that,
27 you know, the discussion of Long Branch was bifurcated between one group of people
28 who had the grand plan and another group of people who were trying to do things slightly
29 above the bricks-and-mortar level -- including some bricks and mortar. And I think that got
30 -- that gets confusing, and we hear, continue to hear, too much about silos, and this -- I
31 think that was a classic silo effort, and those are the things I think need to go away. So I
32 would -- I guess I would encourage you to meet. I guess -- and I appreciate your
33 approach. I mean, I wouldn't -- as long as people are talking and will come back to us with
34 something that gets where we want to be, I'd rather have a bill that reflects that than for
35 us, who have an OLO report but don't necessarily, among us, have the best, perhaps,

May 7 2009



1 ideas about to organize things. I'd rather get input from people who do have, you know,
2 the resources to think about, how would I marshal them differently and to give us input. So
3 I'm happy to have, you know, input and feedback from you, but I -- you know, sooner is
4 better than later, and keep us in the loop in the discussions.

5
6 STEVE SILVERMAN:

7 Absolutely. And again, I, you know, your timing is your timing, but I know you've got to
8 recess that comes up in August. I don't see any reason why we can't come back to you all
9 sometime over the course of June or July with some idea about how we're going to look at
10 tackling some of these issues. I've already had discussions with some of my colleagues,
11 specifically about -- about Wheaton and about Long Branch. I'm not just focused on those,
12 just so you know, but I do know that, you know, here I go away for a couple of years, and I
13 come back, and -- it's not like I left. I read the papers and I know what's going on in our
14 community, but I know these issues and challenges remain, particularly in those two
15 communities, and others, and so we just perhaps need a different model, perhaps, for the
16 way you address, really, community revitalization, which is what we're talking about.

17
18 COUNCIL PRESIDENT ANDREWS:

19 OK.

20
21 STEVE SILVERMAN:

22 All right.

23
24 COUNCIL PRESIDENT ANDREWS:

25 Thank you, Councilmember Elrich.

26
27 COUNCILMEMBER KNAPP:

28 OK. Just a couple of quick issues to close out this. There was a shift in funding for position
29 programs from the operating budget of the Agri Services Division of DED to the Ag
30 Preservation Program in the CIP. People understood why it was important to do that. We
31 recognize the importance of the positions in our Ag Services folks. They do a great job.
32 We also wanted to make sure that we actually understood where those dollars were going
33 from, we could actually track it from year to year, so what I understand has been proposed
34 is identifying a cost center to make sure we know the bodies that have been charged and
35 where they're being charged within the CIP so it's not just something that gets thrown in

May 7 2009



1 and gets glossed over. And I understand that the T&E Committee took a similar approach,
2 and so I think we are all in agreement as to how to proceed with that, so I think that's fine.
3 I don't see any questions.

4
5 COUNCIL PRESIDENT ANDREWS:
6 OK.

7
8 COUNCILMEMBER KNAPP:
9 Then there was follow-up conversation --

10
11 STEVE SILVERMAN:
12 Mr. Knapp, I'm sorry.

13
14 COUNCILMEMBER KNAPP:
15 Mr. Silverman, go ahead.

16
17 STEVE SILVERMAN:
18 Yes. I just want to take the opportunity for just a second to talk about Agriculture and the
19 great job that Jay is doing.

20
21 COUNCILMEMBER KNAPP:
22 Always happy to talk about Agriculture.

23
24 STEVE SILVERMAN:
25 I know you are, Mr. Knapp. That's why I wanted to mention this. But... We have a
26 wonderful agricultural preserve. We've got a wonderful equine/farming/horticultural
27 community up there. I always felt --

28
29 COUNCILMEMBER KNAPP:
30 Advertisement for the polo match scrolling underneath the screen for people watching on
31 TV.

32
33 STEVE SILVERMAN:
34 Don't forget to go to the polo match, and there will be some fine -- as I understand it, some
35 fine Montgomery County wine there, from Sugarloaf Vineyards. I just want to express a

May 7 2009



1 view that I know is shared by the County Executive, but I think is shared by everybody on
2 the Council, which is, there are economic -- there are economic opportunities in the Ag
3 Reserve, and I've already had discussions internally about trying to figure out how we can
4 look at those opportunities -- particularly, again, in terms of, you know, the new green
5 economy. I remember we had discussions a few years ago where we brought in, if I
6 remember correctly, Gary Mangum, who I understand has passed on -- affiliated with Bell
7 Flowers family, who was doing sort of a little greenhouse project, using a very small
8 amount of acreage in the Ag Reserve to develop flowers. This is not a new concept, but it
9 is also not a concept that has been pursued for the utilization of the Ag Reserve for local
10 produce, for local horticulture. I think that we do a great job in what we do in terms of
11 agricultural services, but I think we all share the same view that it's not just open space,
12 but there's an opportunity to utilize that as part of our economy. And I just want to take this
13 opportunity to say that while Ag Services is a piece and doesn't get the attention, when
14 you're talking about DED, that the rest of the economy and the County does, I think we're
15 going to spend some time focusing and figuring out how that may be utilized as part of our
16 efforts to support the Ag Reserve and also to build a local agricultural community, in the
17 broadest sense of the word -- particularly since there's a trend to as -- we should be
18 supporting to shop locally, and the more we can encourage the utilization of this, the
19 better, so we don't get constrained in this box of, "Well, this farm is going to go out of
20 business, and so what are we going to do with the 500 acres or the 200 acres? How do
21 we make sure that it's preserved?" et cetera, et cetera, as opposed to saying, "Maybe
22 there is a way to utilize this for what it actually was in the first place."

23
24 **COUNCILMEMBER KNAPP:**

25 Very good points, and I think that as you look at green industry and look at even
26 relationships that organizations like University of Maryland Biotechnology Institute have
27 established on the Eastern shore and throughout Maryland to link research and
28 agriculture in ways that perhaps we haven't thought of in this county, there are clearly
29 economic opportunities there to be taken advantage of. And it already does contribute
30 about \$300 million to our local economy -- our agricultural community -- and so we can
31 build upon a very solid foundation. As it relates to East County Center for Science and
32 Technology Park, we asked for an update, and this really falls into, we'll get more of an
33 update as this proceeds, but the site is -- county-owned site is currently under voluntary
34 cleanup program, and testing is still underway to determine any remediation efforts.
35 Expressions of interest for a development team for the Center have been suspended until

May 7 2009



1 such time as though elements get addressed. But the bigger issue that I think the
2 Committee was also interested in is, how does what is happening at the East County site
3 tie into what is happening at -- in the Gaithersburg West Master Plan, in the Biosciences
4 Center in Germantown, and all those other pieces, because while, as the director
5 referenced earlier, clearly there are some significant land use decisions to be made, it's
6 also important for us to have a very clear understanding from an economic development
7 strategy how the life Sciences elements or the technology elements that we're discussing
8 complement each other, and we don't create areas of competition within our County,
9 but we actually create a much more complementary environment for technology to flourish
10 throughout, not just in one place versus the other. And so we look forward to coming back
11 to address that issue in the coming months, as well. Those are all of the pieces that were
12 brought up in our discussion, and we will spend a lot of time in the coming months having
13 more discussions with the Department and the director as we put a strategy in front of us
14 to move the County forward.

15
16 COUNCIL PRESIDENT ANDREWS:

17 OK. Thank you, Chairman Knapp. There are no other questions or comments, so the
18 Council is giving preliminary approval to the budget.

19
20 STEVE SILVERMAN:

21 Thank you very much. Look forward to working with you.

22
23 COUNCIL PRESIDENT ANDREWS:

24 All right. We're now going to move on to the Department of Housing and Community
25 Affairs and Housing First, also under the jurisdiction of the PHED Committee. Chairman
26 Knapp.

27
28 COUNCILMEMBER KNAPP:

29 Thank you, Mr. President. Mr. Nelson had come up to engage in a dialogue previously, on
30 the previous issue, and he has now returned, so if there are some comments you wanted
31 to add at the appropriate time, feel free. The Department of Housing and Community
32 Affairs budget is fairly straightforward. We adopted as it was recommended by the
33 Executive, with a couple caveats, the first of which was, in response to the Executive's
34 recommendation to eliminate the Long Branch neighborhood maintenance monies in the
35 DHCA budget, the Committee recommended two increments of \$125,000 -- \$250,000

May 7 2009



1 total -- be placed on the reconciliation list for Regional Service Centers, and with respect
2 to the resources that would be allocated to the Silver Spring Regional Service Center, that
3 those resources would be used for the neighborhood maintenance in Long Branch.
4 Obviously not getting to the numbers that were there last year, but getting far in excess of
5 the zero that was recommended in the Executive's budget for this year for this item.
6 Recommendations for the Housing Initiative Fund that support the Housing First Initiative
7 are included in agenda Item 4, which Councilmember Leventhal, as chair of the HHS
8 Committee, will walk us through.

9
10 COUNCILMEMBER KNAPP:

11 I just -- let me get -- let me just walk through these pieces real quick ????? in specific, see
12 if anyone has any issues they want to raise. On page 4, item 2, the PHED Committee
13 recommended approval of the overall adjustments -- Clean and Lien program, code
14 enforcement, code enforcement inspector positions, and reducing overtime. There were
15 modifications there. The Clean and Lien program continues to be working effectively to
16 address the issues of foreclosures, and this -- the additional \$25,000 is to ensure that we
17 can keep up to date with that. We're abolishing a principal administrative aide position,
18 which the Department indicated they were able to absorb because more information for
19 MPDU is available online. Reducing a part-time landlord tenant investigator. Reduce
20 planning specialist. Shift CDBG costs. Another principal administrative aide. Adjusting
21 charges to the CIP. We already talked about the Long Branch neighborhood maintenance.
22 And those were the big issues for there. I see no questions at this point. That's good.

23
24 COUNCIL PRESIDENT ANDREWS:

25 That's right.

26
27 COUNCILMEMBER KNAPP:

28 If you go to page 9, we recommended approval of the CDBG, ESG, and HOME grants as
29 recommended by the Executive. We also asked for better information about the total
30 investment in affordable housing for low-income households that pull together all of these
31 elements and other funds, so we had a very complete picture. And then, as it relates to
32 the payment in -- oh, let me address this one. If you go to page 11, we walked through the
33 HIF expenditures. I think there has been interest in the part of many, including a number
34 of folks with yellow shirts in our audience from Action In Montgomery, as to understanding
35 how HIF expenditures are being presented and having clarity, understanding those

May 7 2009



1 expenditures on a year-to-year basis, and so we've had interactions with the Department.
2 A broader outline of how the HIF commitments for FY2010 have been identified, are on
3 circle 25, but it's something we might want to work with -- continue to work with the
4 Department on to make sure that it's very clear on a year-to-year basis, because projects
5 tend to go from one year to the next. They're not discrete projects that happen one year
6 and then they're done. But it's important to understand how our investment is being
7 allocated, and so we will continue to work on folks for that. But we continue to focus on
8 affordable housing, and that is a key commitment to what we do in this County, and will
9 continue to be. With that, that is all the elements of the budget. I would turn to the director,
10 see if he has any remarks he would like to make.

11
12 RICHARD NELSON:

13 Yes. The only thing I would say is, I think you've done a good summary, and I want to
14 thank the Council for the continuing support of the Department and affordable housing.
15 And just for the record, I think it's important to point out that today it's a little bit different
16 than it's been in that, one, we have increasing problems in terms of affordability, people
17 who are not able to afford to rent or own in the County, and because of the economy, the
18 private sector has not been able to step up where in the past they have, in fact, stepped
19 up to assist us in terms of providing some affordable housing, which reinforces the
20 necessity for the role of the County to continue to support these programs. And I think --
21 as you indicated, we've got representatives of Action In Montgomery who are very
22 supportive of the government's role in terms of trying to address the problem of affordable
23 housing, and thankfully, we're able, at this point, to be able to continue to do that. I hope
24 that we can engage the private sector more as the economy turns around, so that they too
25 can play a larger role in providing housing. And if I can, in terms of the other comments
26 that were made a few moments ago, all I can say is, hey, after Director Silverman, who
27 else can say anything? I think he very adequately represents the views of the Executive
28 branch on the discussions we've had on the subject. We are, in fact, having dialogue in
29 terms of how to, in fact, effect good coordination on these issues, and I agree with him
30 that we'd like to come back to discuss those in more detail with the Council.

31
32 COUNCIL PRESIDENT ANDREWS:

33 OK.

34
35 COUNCILMEMBER KNAPP:

May 7 2009



1 The only other point I didn't say that ????? we talked about that we will come back to in
2 the coming months is, as it relates to the revolving portion of the Housing Initiatives Fund,
3 there are some issues that relate to the revolving elements of that and how that is
4 structured and what that means as it relates to requirements for bonding and how much is
5 repaid and when. But that's going to require a more in-depth discussion with both the
6 Department and with folks from Finance, and so we'll look forward to having Linda lead us
7 in that discussion in a month or so.

8
9 COUNCIL PRESIDENT ANDREWS:

10 OK. Chairman Knapp, Councilmember Elrich has a question.

11
12 COUNCILMEMBER ELRICH:

13 I just wanted to just get a clarification on your Department's policy. If nonprofits bring you
14 opportunities to purchase apartment complexes near areas that are proposed for major
15 redevelopment, where we could anticipate redevelopment and rising rents, is it the policy
16 of the Department to look at those projects and to help assist find gap financing so these
17 can be acquired?

18
19 RICHARD NELSON:

20 It is the policy of the Department to look at all projects, whether they come from nonprofits
21 or profit organizations, and there are a number of factors that are looked at in terms of
22 those particular projects, not only the cost -- the budget, the location. One major issue that
23 we have is whether or not it happens to be in an area that is subject to upscaling, and is it
24 an appropriate use, at this time, of County funds for that particular purpose? What other
25 restricted or low-income units are in proximity to it? What are the other competing
26 demands that we have? Then we look at the project, work with the -- with the developer or
27 the proposed developer in terms of those elements, and then, if there's a positive
28 recommendation, it will go to an internal ????? review Committee that we have to make
29 the final decision.

30
31 COUNCILMEMBER ELRICH:

32 Does the Department now have money available that -- for projects like this, or are you
33 tapped out for this year?

34
35 RICHARD NELSON:

May 7 2009



1 We have -- we have approximately \$2 million, I think, left in this year's funding.

2
3 COUNCILMEMBER ELRICH:

4 You have any projects that are -- that could use that funding right now?

5
6 RICHARD NELSON:

7 I have no projects that have been proposed to us for funding.

8
9 COUNCILMEMBER ELRICH:

10 You have no projects that have been proposed to you.

11
12 RICHARD NELSON:

13 I have no projects that have been proposed to us for funding that are on my desk at this
14 point. There have been some projects that have been discussed, but I do not have a
15 proposal on the desk. And other thing I should also mention in terms of nonprofits -- or, for
16 that matter, others -- is, we've had some nonprofits, particularly during the course of the
17 last year or two, who have come to us and asked whether or not we would be willing to
18 commit some funding so that they could, in fact, submit a bid for the acquisition of a
19 property. The policy generally of the Department is to say no at that point, because it is
20 our feeling that we don't want to be a major factor in terms of setting the price. We don't
21 want to provide money to an organization so that they can go in and bid up the price on a
22 particular property. We have, in Montgomery County, the right of first refusal. Once the
23 marketplace has set the price and there's a contract, we have the ability to go in to
24 determine whether or not that particular development meets the criteria that we have set
25 for funding projects and whether we want to put some County funds into it and then
26 exercise that right of first refusal or not. And there have been a few occasions this year
27 alone where we've had that, and we've said no, that we will not do that because we don't
28 want to affect the marketplace.

29
30 COUNCILMEMBER ELRICH:

31 And how many times have you exercised the right of first refusal?

32
33 RICHARD NELSON:

34 In the -- in the two years that I've been here, we've exercised the right of refusal -- right of
35 first refusal once. In one other case, rather than exercising the right of first refusal, the

May 7 2009



1 proposed purchaser entered into a rental agreement where they guaranteed affordable
2 rents for a number of units. I believe the number was 131 units that will be affordable for a
3 period of seven years. And we have another situation where a purchaser has also agreed
4 to keep affordable some units for -- I believe it's five years. For five years.

5
6 COUNCILMEMBER ELRICH:

7 I'd like to see the details on those two, for sure.

8
9 RICHARD NELSON:

10 OK.

11
12 COUNCIL PRESIDENT ANDREWS:

13 OK. Thank you, Councilmember Elrich.

14
15 COUNCILMEMBER KNAPP:

16 OK. Linda, anything else on DHCA?

17
18 LINDA McMILLAN:

19 No. I would just note for you that in the packet are the community development block
20 grants and emergency shelter grants and HOME monies that are appropriated through the
21 Department of Community Affairs. They have, in the case of community development
22 block grants, of course, advisory boards that help with the recommendation process, and
23 the Committee did also recommend approval of those.

24
25 COUNCILMEMBER KNAPP:

26 Thank you. So that's the DHCA budget, and I will now turn to Housing First. Before I turn it
27 over to Mr. Leventhal, I just would -- I just want to take a chance to commend everyone.
28 This is an initiative that the Council approved last year on the budget, and I think in its first
29 year has been -- has been very successful. And when we talk about things that are most
30 important for us to address as a local government, as we have during this budget, clearly
31 taking care of those most vulnerable in our population has to be right at the top of that list,
32 and Housing First does that. And in both Montgomery County and in jurisdictions across
33 the country who have used it, adopted a similar model, not only is it effective, but it
34 actually does save money -- perhaps not necessarily directly to us, but in the overall -- in
35 the array of services that are provided to our homeless populations. And so I think it's very

May 7 2009



1 exciting with the progress that has been made, the level of collaboration that's required,
2 and I very much appreciate Councilmember Leventhal's leadership on these issues and
3 will turn to him to walk us through the budget.

4
5 COUNCILMEMBER LEVENTHAL:

6 Thank you, Chairman Knapp. The HHS Committee and the PHED Committee met on April
7 27 and heard about progress being made to implement a Housing First model. We have
8 several recommendations, but before I get to those, let me just say a couple of things
9 about this program. In 2002, Montgomery County announced that its goal was to end
10 homelessness over a 10-year period. It's now 2009. We're seven years into it, and
11 homelessness stubbornly persists. Montgomery County is not unique. There are 466 cities
12 and counties in the United States that have adopted 10-year plans to end homelessness.
13 This is a major initiative of a federal agency called the U.S. Interagency Council on
14 Homelessness. Of the 466 communities that implemented 10- year plans during this
15 decade -- the first decade of the new century -- to end homelessness, homelessness
16 persists in all 466 of them. So I think it is important to have expectations of this program
17 that are realistic and that focus on incidents as well as prevalence. Mr. Knapp and I
18 launched Montgomery County's interest in this program a year ago, and what I am
19 encouraged by from conversations I've had with other colleagues, and particularly with
20 Mrs. Trachtenberg, is that as we read about the success of these approaches in other
21 communities-- and Mrs. Trachtenberg brought to our attention an excellent journal article
22 from the Journal of the American Medical Association that showed reductions in incidence
23 and reductions in cost for those clients who were provided permanent housing in the City
24 of Seattle. Now, Seattle has not ended homelessness, but for those individuals who were
25 provided permanent housing, their homelessness has ended. And the cost for their care --
26 the cost that they were previously receiving in terms of social services, emergency room
27 care, drug and alcohol treatment, and other issues -- has been reduced substantially. This
28 JAMA article is the most recent, but it is not unique. There are a lot of published journal
29 articles that show significant reductions in incidence for those individuals who benefit from
30 having the permanent housing. What happened? Meanwhile, the recession hit. The
31 economy sank. There are a lot of factors that lead to homelessness, and so the
32 prevalence of homelessness persists. As we move an individual or we move a family out
33 of the condition, unfortunately, because of the economic conditions, other families move
34 in. And so, with gratitude to all of my colleagues who have expressed an interest in this
35 program, I really do hope that we will continue to invest in this approach, even though the

May 7 2009



1 prevalence of homelessness does persist. The most recent one-day count released by the
2 Metropolitan Washington Council of Governments does not show a reduction,
3 unfortunately. It shows an increase in the numbers of homeless individuals in -- in
4 Montgomery County. And so, my hope is that through some of the steps we are
5 recommending today, that we will continue to invest in this approach, which has shown
6 through research to work from the clients who benefit from it, even as we continue to try to
7 embrace the prevalence issue -- the aggregate, the overall number -- and try to bring that
8 down. We haven't seen progress in that area, but I think we have seen significant
9 progress for those clients who have benefited. And seven years into our 10-year plan, we
10 haven't ended homelessness, and I acknowledge that. And so the question is -- and I'm
11 encouraged that the answer is going to be yes -- do we, as a County, believe in this best
12 practice, which is being adopted by hundreds of communities around the country, and are
13 we going to continue to invest in it? And are we going to orient our expenditure on
14 affordable housing and prioritize our expenditure on affordable housing so that a
15 significant share of our expenditure on affordable housing goes to the very neediest? And
16 that's the thrust of the recommendations that our joint Committees are making, and an
17 additional recommendation that I'll be making in just a few minutes. So the specific
18 recommendations were that we would use the HIF to assist the very neediest people and
19 that we would expand the ways in which the HIF is used to assist the very neediest
20 people. So we recommended charging an additional 249,600 in Rental Assistance
21 Program rental subsidies to the HIF to maintain the program capacity of that program, and
22 we have a wait list of more than 800 people for that program today. We agreed that we
23 would charge an additional \$120,000 in Housing Initiative Program rental subsidies to the
24 HIF. We decided to allocate 1.89 million in recordation tax revenues appropriated to the
25 HIF to the Housing Opportunities Commission for the Rent Supplement Program. We
26 agreed to allocate 1.157 million in recordation tax revenues appropriated to the HIF to
27 emergency assistance administered by the Department of Health and Human Services.
28 And then, to make sure that we are continuing to have capacity to meet the need for rapid
29 rehousing for people who become homeless, we are including -- we are recommending to
30 include language in the budget that carves out additional space within the HIF. We don't
31 the entire Housing Initiative Fund to be committed and then find we could really end
32 homelessness for this most needy client population but the whole HIF has already been
33 committed. And so we've recommended language that states that DHCA "must reserve
34 5.9 million of the Nonrevolving Program to the HIF for continued implementation of the
35 Housing First plan," and then there's a description of the Housing First plan included in

May 7 2009



1 this language. So those are the Committee recommendations, and I'm now going to go
2 ahead -- and let me just pause and see if there's any questions about Housing First.

3
4 COUNCILMEMBER KNAPP:

5 Nope. Everybody loves it.

6
7 COUNCILMEMBER LEVENTHAL:

8 OK. Do we want to take a minute to -- just very briefly, to call on Uma Ahluwalia, who
9 really has been taking the lead in coordination with Rick Nelson and his staff, to talk about
10 the program or any reaction to anything that I have said? Or anything else about Housing
11 First, Uma?

12
13 UMA AHLUWALIA:

14 Thank you, Mr. Leventhal. Thank you to the entire Council for supporting our effort. I know
15 Mr. Leventhal and Mr. Knapp have certainly led the effort since last year to put the monies
16 in our budget --

17
18 COUNCILMEMBER LEVENTHAL:

19 But we all support it.

20
21 UMA AHLUWALIA:

22 And you all support it.

23
24 COUNCILMEMBER LEVENTHAL:

25 We all support it.

26
27 UMA AHLUWALIA:

28 We are deeply, deeply grateful.

29
30 COUNCILMEMBER LEVENTHAL:

31 It's not just Leventhal and Knapp.

32
33 UMA AHLUWALIA:

34 No. I said thank you to everybody. I will reiterate, though. Thank you very much. We've --
35 we've spent a lot of time on the Housing First program in the County and have been

May 7 2009



1 driving a very, very aggressive agenda on this issue, but both economics and practice
2 change take time, and I know Mr. Leventhal said maybe we want to have more of a
3 conversation about this, but part of it, I think, is the -- as fast as we're moving people out,
4 people are moving in, and we really struggle to reduce the motel placement numbers, and
5 those have been very, very significant. As we know, a motel is no place for children to be
6 raised or families to be housed, and we want to continue to make progress there. We've
7 also -- because our shelter beds have stayed full so significantly, it's been very hard to
8 move families out as quickly as we'd like. We have made significant progress in aligning
9 the system. HCA and DHCA have been fabulous partners with us. I couldn't ask for better
10 help. I mean, every time we've been in distress and we've caucused, we've -- we've had
11 responsive partners. We've been meeting literally every two weeks as a group on trying to
12 address infrastructure and policy issues, and there were significant infrastructure and
13 policy issues in the first six to eight months of this initiative -- transitional housing,
14 addressing needs of transitional providers. As you say that, the acuity level of transitional
15 providers is going to go up as we implement Housing First, because inevitably, anybody
16 who can move into their own housing will move. And there is -- transitional is not a step
17 down from shelter. It is actually a place where people who cannot live on their own and
18 need additional supports will be going. So there were some structural adjustments that we
19 needed to make, some policy decisions we needed to make, some hiring we needed to
20 do. HCA and DHCA have both stepped up, given the motel volume that we're seeing, in
21 hiring locators or redirected locators from other functions, in the case of DHCA. And so,
22 we've done well. We're going to have placed everybody to utilize the -- the 150 vouchers -
23 - 217, actually, this year, of deep subsidies that we would have committed to in addition to
24 the 1,767 RAP subsidies that we're making. So these are people who have, like Mr.
25 Leventhal said, found permanent housing. There's that many families and households
26 who will not experience homelessness and are hopefully, with support of case
27 management, be off the rolls of homelessness for good. I will also say that the most
28 successful part of our efforts has been prevention. We have -- with the help of the
29 recordation tax assistance and the monies that we get from the state and the County
30 monies, we have provided -- and there are -- there is some data in your package that I just
31 wanted to bring your attention to. We have already, by March, I believe, had made almost
32 1,931 grants, and the average grant-- I had that. I don't. I thought I did. I'm sorry. Yes. The
33 average grant amount is \$583. We're helping people not experience homelessness. We're
34 diverting them from the homeless system. And according to the National Alliance to End
35 Homelessness, this is one of the most well run, seamlessly operated prevention programs

May 7 2009



1 in the country. And so we've very, very responsive to the community. I know this was a big
2 outcome for you all, as you made the recordation tax emergency assistance monies
3 available. We have done an extraordinarily good job in diverting people out of the
4 homeless system. One of the things we're finding, through our Neighborhood Safety Net
5 experience, you know, now Gaithersburg has been running for about 7 1/2 , 8 weeks with
6 a Family Services Agency. The single biggest need that people are coming to us with is
7 assistance with utilities, assistance with rental assistance, and assistance -- and ?????
8 food stamps. I mean, it's economic aid that people are coming looking for. In the process,
9 we're able to connect them with other services. You know, if they're pregnant and
10 uninsured or other things going on, we're able to help them. But I have to tell you that
11 economic aid is the single biggest issue that families are presenting with to the
12 Department, and we are making a dent over there, and your additional assistance that you
13 have proposed for FY10 will certainly be very helpful. Thank you.

14
15 COUNCILMEMBER LEVENTHAL:

16 Great.

17
18 COUNCIL PRESIDENT ANDREWS:

19 Mr. Leventhal, let me interrupt for just a second. I want to make a calendar
20 announcement. That is that it's clear that we won't be able to complete the entire agenda
21 that we have for this morning. So -- and we do have people, I know, who are here from
22 the Department of Recreation and Utilities and Human Rights Commission. We're going to
23 need to delay consideration of those budgets until Monday. So those who are here from
24 those agencies, you do -- you can leave if you wish. We just will not be able to get to you
25 this morning. We thank you for your patience. And I hope to get through the Fire and
26 Rescue Service budget -- we'll get through as much of it as we can before we break about
27 12:20. We have to have a meeting on the BiCounty budget. That will be short, but we
28 need to do that.

29
30 COUNCILMEMBER LEVENTHAL:

31 So, Mr. President, for those who were interested in the Recreation Department item on
32 the Piney Branch swimming pool, we will also not get to that this morning.

33
34 COUNCIL PRESIDENT ANDREWS:

May 7 2009



1 Yes. That's correct. And we're sorry we won't get to it this morning, but we'll come back to
2 it soon.

3
4 COUNCILMEMBER LEVENTHAL:

5 So, just to close out on Housing First -- I could talk about this all day, but I will not. I do
6 think that this is an important and exciting step that we're taking that is consistent with
7 best practices around the country. I want to thank Uma Ahluwalia and her team, who are
8 here, I want to thank Rick Nelson, and I want to thank the Housing Opportunities
9 Commission team, who are all working together to try to make this happen. And I think,
10 you know, at a time when the housing -- so the Committee recommendations are now
11 before the Council, and without objection, I assume, are approved by the Council. I have
12 an additional proposal that is consistent with the thrust of what we've been doing here,
13 and at a time when the -- there's a great deal of inventory, the price of housing is not what
14 it was a few years ago, I think it is more urgent than ever that we focus and prioritize the
15 substantial commitment that we're making in the Housing Initiatives Fund to the very
16 neediest and do the best we can to prevent homelessness where we can and make sure
17 that those at the very bottom of the income scale do not fall out altogether. And for that
18 reason, and, frankly, to help us balance our budget, I now move that we take -- and I'm on
19 circle 5 of the Housing First packet -- \$3,632,080, which is being funded out of the
20 General Fund for the Department of Health and Human Services' Rental Assistance
21 Program -- these include the deep subsidies for the very lowest income individuals in
22 Montgomery County -- and that we fund that \$3,632,080 out of the HIF. And I make that
23 motion at this time.

24
25 COUNCIL PRESIDENT ANDREWS:

26 OK. It's moved by Councilmember Leventhal, seconded by Council Vice President
27 Berliner, and I think I saw Councilmember Knapp's hand, as well, but -- OK. We'll have the
28 two Committee chairs. So seconded by Councilmember Knapp.

29
30 COUNCILMEMBER LEVENTHAL:

31 Mr. Nelson has views.

32
33 RICHARD NELSON:

34 Yes. I'm not sure I understand, in the context of the total budget, the necessity for this,
35 since the County Executive has in fact provided for funding for that in the HHS budget.

May 7 2009



1 And this takes away the funding that the County Executive had proposed for housing. The
2 County Executive had proposed the HIF at the levels that you approved, has also
3 approved this amount in the HHS budget for affordable housing. If you take this out of
4 HHS and take it out of the HIF, then you have reduced the County Executive's proposal
5 for affordable housing, and that's -- from everything I'm hearing, that's contrary to what
6 this Council wants to do.

7
8 COUNCILMEMBER LEVENTHAL Right. Well, Mr. Nelson, you're a terrific advocate for
9 housing. We appreciate your leadership. We understand that every Department head
10 believes that the Council ought to just basically make a Xerox copy of what the County
11 Executive sent over, and then we'd be done, and certainly, it would involve a lot less of
12 our time. But, in fact, we have to balance the budget. We do not have available to us all of
13 the resources that the County Executive based his budget on, and we are going to have to
14 make some decisions in order to get through this over the next couple of weeks. It isn't
15 practical for the Council -- the Council has its own priorities. Actually, under the charter,
16 we have the responsibility of coming up with our own priorities, and we're the final word on
17 the budget. So it's entirely appropriate that every Department would say, "Just pass the
18 County Executive's budget the way he submitted it." We're not going to be able to do that.
19 We don't have the resources that the County Executive assumed that we would have, and
20 we're going to have to make some decisions here, and I do think that this Rental
21 Assistance Program is entirely consistent with the purposes of the HIF, and I do think it is
22 appropriate to focus and prioritize the resources within the HIF on the various needy -- the
23 very neediest people who benefit from this program. And in addition, this will assist us --
24 us, now; the budget is in our hands now -- to balance the budget and fulfill our
25 requirements under the Charter.

26
27 RICHARD NELSON:

28 I am not questioning at all your role in terms of the budget. I'm not even suggesting that
29 you should, in fact, Xerox the County Executive's budget. I was pointing out that, in fact,
30 the budget that you had before you provided more money than you are now -- if you were
31 to pass this -- providing for needy families. I also -- I'm not disagreeing that the HIF
32 shouldn't be, as it is, used for some of the neediest families in the County. We do that. We
33 use other programs, as was indicated earlier, for the same purpose -- CDBG, ESG, and
34 the Home Program. I'm pointing out that by taking this action, you are, in fact, reducing by

May 7 2009



1 300 -- how much? \$3.6 million the funds that we would have available in FY10 to help the
2 families who need housing in the County, and I think that is not an advisable step to take.

3
4 COUNCIL PRESIDENT ANDREWS:

5 OK. Thank you. I'm going to turn to my colleagues in just a minute. I want to note that the
6 Rental Assistance Program is a very important program that all Councilmembers have
7 supported and that was increased -- funding for it was increased with the bill that was
8 adopted by the Council in 2007, Bill 11-07, and the amendment that was offered at the
9 time by Councilmember Trachtenberg to have a portion of that go -- dedicated -- be
10 dedicated Rental Assistance, I think, was a very well targeted approach, and we continue
11 to want to make sure that we provide this, in fact, emergency assistance to people so
12 they're not evicted and get into a deeper hole. So I thank Chair Leventhal for his
13 leadership on this, Chairman Knapp, and all my colleagues who recognize that assisting
14 and preventing evictions through this is -- is a crucial need. And our next speaker is
15 Councilmember Floreen, and then Councilmember Knapp.

16
17 COUNCILMEMBER FLOREEN:

18 Thank you. I really appreciate the significance of this issue on -- on every side of this
19 table. I would like to know, or at least give the -- make a suggestion that we get -- give the
20 Department an opportunity to respond to what they would not be able to do within the HIF
21 if this proposal were to advance. Note there, as I recall, there is another recommendation
22 with respect to the recordation tax out there -- where that should go and how that should
23 be used. I believe the County Executive is proposing that it -- or maybe we resolved it in
24 Committee. Linda, do you know what I'm talking about -- the County Executive's proposal?

25
26 LINDA McMILLAN:

27 He'll have a bill that --

28
29 COUNCILMEMBER FLOREEN:

30 He's proposing that...

31
32 LINDA McMILLAN:

33 Regarding the recordation tax?

34
35 COUNCILMEMBER FLOREEN:

May 7 2009



1 that money go back into the general fund?

2
3 LINDA McMILLAN:

4 Yes. A portion of it.

5
6 COUNCILMEMBER FLOREEN:

7 Which is another issue that we might want to look at.

8
9 LINDA McMILLAN:

10 There is more recordation tax from this increment that the Council, by law, had asked --
11 had mandated be dedicated to rental assistance for low- and moderate-income
12 households. For FY10, the County Executive has appropriated the amount that you see in
13 the HIF, but then there actually is more revenue expected to come in that increment that,
14 under current law, would have to go to rental assistance for low- and moderate-income
15 households. The bill that MFP will deal with would change that law to allow those
16 revenues to be used for other purposes throughout the budget.

17
18 COUNCILMEMBER FLOREEN:

19 Right, right. So there are a couple of moving parts here that -- at least I would like to get a
20 better sense of -- of -- of what is the best -- the best solution. Obviously, I appreciate the
21 intention here and the need, but I'm not -- I really don't have the information here to make
22 the judgment call that, absolutely this isn't a problem, or, let's look at other ways to
23 address this at this point in time. So I would propose that we table this conversation until,
24 say, Monday, when we can come back and take another look at the impact on housing
25 initiatives that this would affect -- or perhaps not -- and understand the implications of that
26 other tax initiative, the recordation tax initiative. Would you have time, Mr. Nelson, to
27 address that?

28
29 RICHARD NELSON:

30 Yeah, well, I can say two things right now. One is, this particular proposal, on the average,
31 in terms of what it's cost us for providing units under the Housing Initiative Fund, could
32 lose 50 units during the next year. The other thing -- you asked the question, you know,
33 what couldn't we do. We do not have all of the funds committed for FY10, but I can say, in
34 looking back at the last year, between the time that the budget was passed by the Council
35 and the current date, we received and funded -- and made commitments for some \$28

May 7 2009



1 million in projects, so that there is the demand out there, and it comes across the desk.
2 There are some others we didn't fund. So I think that it's realistic to say it would -- it would
3 reduce the total number of affordable housing units that we would provide, and just using
4 the average figure that we have of some \$67,000 a unit for affordable units under the HIF,
5 that equates to about 50 units.

6
7 COUNCILMEMBER FLOREEN:

8 Yeah. And that -- so that's what you can be pretty sure about...

9
10 RICHARD NELSON:

11 Yes.

12
13 COUNCILMEMBER FLOREEN:

14 At this point.

15
16 RICHARD NELSON:

17 Yes. I can be sure that it would reduce the number of units that we would provide. And of
18 course, the HHS budget already provides for the rental assistance, so we wouldn't be
19 losing that element of support for the needy families in the County.

20
21 COUNCILMEMBER FLOREEN:

22 Would it be possible to extend this conversation a tad? We don't have to resolve this
23 today to resolve the budget, as far as I'm concerned. I think it's a very worthy initiative, but
24 I am concerned about our other commitments out there, and there are another -- a
25 number of long-term housing initiatives that I know all my colleagues want to be a part of,
26 and this would pretty much put the kibosh on that, I think, unless we have some better
27 information.

28
29 LINDA McMILLAN:

30 I will just say that the amount of uncommitted funds in the HIF at the moment we did have
31 information about -- every year, the HIF always has commitments for the next year based
32 on what we've acquired in the current year. Even after the joint Committee's
33 recommendation, which has been accepted by the Council, to allocate some additional
34 monies within the HIF to make sure that we stayed at FY09 capacity for our RAP and HIP
35 programs -- because the Executive's budget would have called for slight reductions in the

May 7 2009



1 capacity of those programs -- there still is about \$30 million of uncommitted money within
2 that HIF. And so this would indeed reduce the amount of uncommitted money in the HIF,
3 but there would still be over \$26 million of uncommitted money.

4
5 COUNCILMEMBER FLOREEN:

6 Most of that is long-term money, right -- the \$25 million?

7
8 RICHARD NELSON:

9 Most of that -- the money that she's talking about, in fact, would produce some housing
10 that would last 30-plus years, as opposed to one year for rental assistance.

11
12 COUNCILMEMBER FLOREEN:

13 Yeah.

14
15 COUNCIL PRESIDENT ANDREWS:

16 Councilmember Knapp.

17
18 COUNCILMEMBER KNAPP:

19 Thank you, Mr. President. I appreciate the motion that Mr. Leventhal has made, and I
20 actually think it can make a lot of sense, since I did, in fact, second it -- although there
21 have been times here when the seconder has been opposed to the motion. That is not the
22 case today. But I think it's important, as we get to this point in the budget, the County
23 Executive assumed the recordation tax for whatever the amount of money is to do
24 something differently. He put that money in the General -- he's already proposed to put it
25 in the General Fund, or made that assumption. Because of the way that we do the budget
26 here in the Council, we assume -- for reasons I still can't quite fully explain -- we actually
27 assume the County Executive's budget as a baseline, which then effectively ties our
28 hands. So we're in a position where we are looking for trying to identify various priorities
29 that need to be funded, and there were a number -- as Mr. Leventhal indicated, there are
30 a number of assumptions in the County Executive's budget that have not come to fruition,
31 and so we are somewhat limited in -- in the tools we have at our disposal to rectify that.
32 And I think this is a reasonable way to try and address a very critical need in our County. I
33 do, however, agree with Miss Floreen. I'm not sure that everyone was aware that this was
34 a potential option that was out there. It is a fair amount of money, and I don't think it's a
35 bad thing to take an extra day or so to fully understand the implications of it, and so would

May 7 2009



1 suggest that we actually take that as an approach. But this is what we have to do. It's our
2 job to actually address the County's priorities, and unfortunately, we have some
3 assumptions that are out there that make it very difficult for us to do that. And so, these
4 are the choices we have in front of us.

5
6 COUNCIL PRESIDENT ANDREWS:

7 All right. Here's what I suggest that we do. I'm going to suggest that we -- we have a
8 motion before us, and I think that there has been information that was provided to
9 Councilmembers about the motion. I think that we should have some indication of whether
10 there is at least tentative approval for this motion, which I support. I think it is a very
11 sensible motion, given our circumstances. And if we require more information, we can
12 certainly get that. All decisions at this point are preliminary, but I think we should move
13 forward with an indication of where the Council is on this motion. Councilmember Elrich.

14
15 COUNCILMEMBER ELRICH:

16 If the Council wishes to do this, it shouldn't couch it as a step to provide housing for the
17 neediest. This \$3.6 million wasn't in jeopardy where it sat unless somebody chose to put it
18 in jeopardy. This is basically balancing the budget on the backs of the poor. You're going
19 to take \$3.6 million out of the housing fund.

20
21 COUNCILMEMBER LEVENTHAL:

22 I withdraw the motion. It's gone.

23
24 COUNCILMEMBER ELRICH:

25 Good.

26
27 COUNCILMEMBER LEVENTHAL:

28 I withdraw it. Thank you very much to my colleagues, who apparently did not have the
29 benefit of conversations with --

30
31 COUNCILMEMBER ELRICH:

32 With what?

33
34 COUNCILMEMBER LEVENTHAL:

May 7 2009



1 Those who spoke with me about this. So thank you very much, Mr. Elrich. I appreciate -- I
2 appreciate your advocacy for the clients of the Health and Human Services Department.

3
4 COUNCILMEMBER ELRICH:
5 You know--

6
7 COUNCILMEMBER LEVENTHAL:
8 It's gone. The motion's gone, Marc. It's gone.

9
10 COUNCILMEMBER ELRICH:
11 That's OK. I still have the floor, George.

12
13 COUNCILMEMBER LEVENTHAL:
14 OK. I withdraw the motion.

15
16 COUNCILMEMBER ELRICH:
17 That's good. This is the wrong way to do it. This Council wouldn't be in this dilemma if they
18 voted for the ambulance fee. We wouldn't be cutting these ridiculous programs if we took
19 a different position. There are other sources of money available. We choose not to use
20 them. That is the truth of the dilemma we're in, in a lot of ways. But the idea that you can
21 just move money and take it out of the HIF without consequences for the people we say
22 we're trying to help and we care about, that just doesn't work.

23
24 COUNCIL PRESIDENT ANDREWS:
25 OK. The motion has been withdrawn, and I'll ask if there are any other items on the
26 Housing First packet that we need to go through, either Chairman Leventhal or Chairman
27 Knapp?

28
29 LINDA McMILLAN:
30 The joint Committee recommendations, I think, have been described to you.

31
32 COUNCIL PRESIDENT ANDREWS:
33 OK. All right. Are there any other questions or comments about the other
34 recommendations in the packet on Housing First? Yes. Councilmember Trachtenberg.

May 7 2009



1 COUNCILMEMBER TRACHTENBERG:

2 Just a point of information for colleagues, which is that we are discussing, within the
3 Management and Fiscal Policy Committee tomorrow, Bill 15-09 -- the use of revenue from
4 the recordation tax. And I would agree with Councilmember Floreen that that is a
5 conversation that is very much directly related to what we're talking about right now, or
6 had been talking about. And so I'm going to encourage my colleagues to either be
7 listening or have their staffs present as that discussion is pursued, because one of the
8 direct impacts of the bill that we will be considering is that the requirement that the portion
9 be applied directly to rental assistance would become effective again in FY13. In other
10 words, we'd honor the \$3 million amount, but anything over that would then be applied, as
11 several people have indicated, to the general budget and cost. So I just want to
12 underscore to colleagues that it is an important conversation, very germane to some of
13 what has been raised this morning, and I hope we'll have a lot of participation in that
14 dialogue tomorrow afternoon.

15
16 COUNCIL PRESIDENT ANDREWS:

17 Thank you. Councilmember Leventhal.

18
19 COUNCILMEMBER LEVENTHAL:

20 I will look forward to the Elrich plan for balancing the budget. I appreciate Mr. Elrich's
21 advocacy for the needy. I share his concern. We're going to have to make some difficult
22 decisions over the next few days. Marc apparently knows how we're going to solve it. I will
23 look forward to seeing his plan.

24
25 COUNCIL PRESIDENT ANDREWS:

26 Thank you, Councilmember Leventhal. Our next speaker will be Councilmember Knapp.

27
28 COUNCILMEMBER KNAPP:

29 Thank you, Mr. President. I'm actually moving away from the Housing First discussion for
30 a moment. Ms. Ervin was out of the room when we had done a portion of the DHCA
31 budget, and a question has been raised. One of the things, if you look at the first page of
32 our packet, we had identified in the Committee placing \$250,000 on the reconciliation list
33 for the Regional Services Centers in an effort to try to address exactly the types of issues
34 that the Long Branch neighborhood maintenance monies were used for. And since they
35 had been zeroed out, we were trying to just provide them through Regional Services

May 7 2009



1 Centers, and we identified specifically that those dollars would be used in Long Branch. It
2 is not clear that if we actually make that allocation that the Regional Service Centers will,
3 in fact, actually use the resources for that -- for that element, which would then defeat the
4 purpose of what the Committee had recommended. And so, we can address this either
5 one of two ways. We can either put the resources through DHCA's budget identified on
6 the reconciliation list -- the \$60,000 -- or we can, in our budget resolution language,
7 actually make sure that the dollars are specifically tied to -- through the Silver Spring
8 Regional Services Center, tied to the Long branch neighborhood maintenance issue.
9 Either of those, I think, is a reasonable scenario if we pull those resources off the
10 reconciliation list, but I just wanted to raise that issue to my colleagues' attention because
11 the Committee's intent was to make sure that there were resources available for Long
12 Branch for its neighborhood maintenance issues. And so I just -- we can address it one of
13 -- either of those ways. I don't necessarily know that we need a motion to do it. I just
14 wanted to make people aware of it, and we can do it as the budget proceeds.

15
16 COUNCIL PRESIDENT ANDREWS:

17 Very good. Thank you very much for that. All right. Let's see.

18
19 COUNCILMEMBER ERVIN:

20 I have my light on.

21
22 COUNCIL PRESIDENT ANDREWS:

23 OK. Councilmember Ervin.

24
25 COUNCILMEMBER ERVIN:

26 I want to thank Councilmember Knapp for -- for that -- the motion -- was it a motion? In the
27 form of a motion? We don't need to do it? OK.

28
29 COUNCILMEMBER KNAPP:

30 No. We can reconcile --

31
32 COUNCILMEMBER ERVIN:

33 I just wanted to make the point clear that by -- by doing it this way, the Silver Spring
34 Regional Services Center will have to use that \$25,000 for Long Branch. In the past, what
35 they've done is, that money goes back into the General Fund unspent. I want to make

May 7 2009



1 sure it's spent, and I want to make sure it's spent in Long Branch, and that's the reason for
2 this approach. So I appreciate Councilmember Knapp for that reason. And I'd like to also
3 be on record -- unfortunately, Councilmember Leventhal withdrew his -- withdrew his
4 motion, but I think it's very important to note that in a time of great suffering and need in
5 this County, to have the money for rental assistance would have been a really good way
6 for us to move forward. So I look forward to hearing more conversation about how we will
7 make some of this a reality for the people who really need our assistance.

8
9 COUNCIL PRESIDENT ANDREWS:

10 Right.

11
12 LINDA McMILLAN:

13 It would be helpful if -- just to clarify for staff that the amount we're talking about, is it 25--
14 is \$25,000?

15
16 COUNCILMEMBER KNAPP:

17 Well, two increments, so it would be 25 -- 25 if we do the 125 or 50 if we do the 250.

18
19 LINDA McMILLAN:

20 Right. And then if the Council is asking staff to draft some language --

21
22 COUNCILMEMBER KNAPP:

23 Correct.

24
25 LINDA McMILLAN:

26 Because it would probably be best to have a provision in the budget resolution so that it's
27 very specific, the amount that you wish to have dedicated for this purpose.

28
29 COUNCILMEMBER KNAPP:

30 Yeah. Exactly.

31
32 COUNCIL PRESIDENT ANDREWS:

33 Council Vice President Berliner.

34
35 COUNCIL VICE PRESIDENT BERLINER:

May 7 2009



1 Thank you, sir. I want to share with my colleagues that I understand the request of
2 Councilmember Floreen for more information with respect to the matter that was under
3 discussion. I expect you to provide that information by Monday, and we will revisit this
4 issue on Monday, from my perspective. So I understand that my colleague has withdrawn
5 his motion, but from my perspective, this issue is not dead. We will revisit it, and we
6 should revisit it. So I thank all my colleagues. I think that this matter came up rather
7 quickly. It is a complicated matter, it's an important matter, and people obviously didn't get
8 their minds all around it, and now we need to. So we've got three, four days ahead of us in
9 which we can do that.

10
11 COUNCIL PRESIDENT ANDREWS:

12 Thank you, Council Vice President Berliner. Councilmember Ervin, is your light still on?
13 No? All right. Councilmember Elrich.

14
15 COUNCILMEMBER ELRICH:

16 With all -- with all due respect, my mind is around the matter. My mind objects to the idea
17 of saying we're going to move money and then cut money from a different housing fund.
18 To my knowledge, I had never proposed or heard that the \$3.6 million was in jeopardy
19 where it sat, so this clearly will result in the reduction of something, and it would have
20 been just as easy to say we're leaving the \$3.6 million where it is and have the
21 Councilmembers recommend cuts to the HIF budget equaling \$3.6 million and not moved
22 anything. So it seems to me there are multiple ways to go at this, but to simply say, "I'm
23 taking it out of HIF," as if there are no consequences to the very programs we say we
24 want to support is -- I don't think it's quite what we ought to be doing.

25
26 COUNCIL PRESIDENT ANDREWS:

27 OK. Thank you, Councilmember Elrich. And we're going to move on to our final budget
28 that we're going to get to this morning, which is the Montgomery County Fire and Rescue
29 Service budget, and we will proceed with this as -- as expeditiously as we can. It is a
30 budget that Public Safety Committee spent three worksessions on, on the 2nd, 24th of
31 April, and May 1. And I will ask our representatives from the Fire and Rescue Service to
32 join us at the table, and -- and then we will go through it sequentially. Let's have the folks
33 introduce themselves for people listening in and watching.

34
35 RICHARD BOWERS:

May 7 2009



1 Richard Bowers, Fire Chief, Montgomery County Fire and Rescue.

2
3 STEVE LOHR:

4 Steve Lohr, Division Chief, Montgomery County Fire and Rescue.

5
6 DOMINIC DEL POZZA:

7 Dominic Del Pozza, Budget Office, Montgomery County Fire and Rescue.

8
9 ALEX ESPINOSA:

10 Alex Espinosa, OMB.

11
12 BLAISE deFAZIO:

13 Blaise deFazio, OMB.

14
15 RANDY WHEELER:

16 Randy Wheeler, Fire and Rescue.

17
18 COUNCIL PRESIDENT ANDREWS:

19 Thank you all. Minna Davidson, our legislative analyst, did a great job on this packet.
20 We're well served by her. Do you have any opening comments you want to make, Miss
21 Davidson?

22
23 MINNA DAVIDSON:

24 No.

25
26 COUNCIL PRESIDENT ANDREWS:

27 OK. All right. All right. Let's start on page 4 of the packet. We have about 20 different
28 issues that we went through, and we're just going to go through them one by one. The first
29 issue the Committee addressed was the EMS -- proposed EMS fee that has not been
30 approved by the Council, but which the Executive assumed about 14 million in revenues
31 for the coming year. The Committee position is 2-1 -- Councilmember Elrich opposed -- to
32 delete the assumed revenues from this fee since it doesn't exist and also to delete the
33 costs associated with it, which are approximately \$2 million that are in the budget. The
34 Committee also is going to have a follow-up discussion of the fire tax for a joint Public
35 Safety and MFP Policy Committee meeting after the budget season. In terms of Issue 2--

May 7 2009



1 I'm just going to proceed till I see lights -- field staffing. The Committee recommended
2 opening the East Germantown station as scheduled in March of 2010. Issue 3 were the
3 2009 and 2007 SAFER grants of 396,000 and 416,000, respectively. They are detailed --
4 the explanation is a very thorough one, and detailed, in the packet. The Committee
5 supported the recommendation from the Executive for the use of those grants to continue
6 with the four-person staffing. Councilmember Knapp.

7
8 COUNCILMEMBER KNAPP:

9 I apologize, Mr. President. I am just -- I just found the packet, so I -- where are you?

10
11 COUNCIL PRESIDENT ANDREWS:

12 We're on page 7 right now, on Issue 3.

13
14 COUNCILMEMBER KNAPP:

15 So all we have gone through is...

16
17 COUNCIL PRESIDENT ANDREWS:

18 We just went through the first three. We're just on Issue 3 right now, on the SAFER
19 grants.

20
21 COUNCILMEMBER KNAPP:

22 OK. I just wanted to confirm that what we have provided in Issue 2 as it relates to
23 Milestone -- that provides for a full opening, that provides for kind of a partial, a modified
24 rollout, similar to but we did in Kingsview, or less or more? How -- what's the rollout of
25 that?

26
27 COUNCIL PRESIDENT ANDREWS:

28 Chief Bowers.

29
30 RICHARD BOWERS:

31 We have proposed -- the Executive proposed that at Milestone, that we would open the
32 station with staffing for an engine company, ALS, and we would -- I proposed to the
33 Executive, and, of course, across the street here, to Council, we would move one of the
34 EMS units from current Fire Station 29 to that station. In the interim, we would push the

May 7 2009



1 EMS unit that was normally assigned to that station, or would have assigned to that
2 station, to the July -- or FY11, and start up then in July.

3
4 COUNCILMEMBER KNAPP:

5 OK. And just from a service perspective, it's my understanding, at least in the
6 conversation we had before, that when we open that station, that station becomes one of
7 the busiest stations in the County almost immediately. And so how does that kind of a
8 modified rollout impact that process?

9
10 RICHARD BOWERS:

11 It certainly has some impact, but the important thing is we've opened Fire Station 22. We
12 have relocated and reallocated one of our EMS duty officers to that station to provide
13 additional ALS service.

14
15 COUNCILMEMBER KNAPP:

16 Which station? 22?

17
18 RICHARD BOWERS:

19 22. With the four-person AFRA in service at 22, with the four-person AFRA in service at
20 Fire Station 34 when it opens up, with the medic unit at Fire Station 29 -- a full-service
21 medic unit -- and at Station 29, a full-service AFRA, which is another ALS, I feel that we
22 have provided what we can in these very, very tough economic times -- a very strategic
23 resource allocation -- and I believe that we can handle the capacity, at least for those
24 several months.

25
26 COUNCILMEMBER KNAPP:

27 OK. But again, this goes back to the kind of conversation we had about police. Then it
28 requires us making the decision in our budget next -- well, for next year or the year after?

29
30 RICHARD BOWERS:

31 FY11.

32
33 COUNCILMEMBER KNAPP:

May 7 2009



1 We actually have to make sure that by FY -- for the FY11 budget, that that actually gets --
2 that that is funded, too. Otherwise, you're another year and half down, and it doesn't
3 sound like we could probably stretch that and make that work for that long a time.

4
5 RICHARD BOWERS:

6 Right. In -- July 1 of FY11, we anticipate, strategically, replacing that unit in service, plus
7 the second unit at Fire Station 22.

8
9 COUNCILMEMBER KNAPP:

10 OK. So the next year's budget, then, we need to make sure that the -- that EMS unit is
11 funded for that station.

12
13 RICHARD BOWERS:

14 Yes, sir.

15
16 COUNCILMEMBER KNAPP:

17 OK. Now, we also have delayed the second EMS unit for Kingsview.

18
19 RICHARD BOWERS:

20 22. Yes.

21
22 COUNCILMEMBER KNAPP:

23 22. And so you're saying -- so effectively, we'd be needing to bring both of those units
24 online, so they'd need to be in next year's budget to bring online in -- at July 1 FY11.

25
26 RICHARD BOWERS:

27 Yes, sir. Correct.

28
29 COUNCILMEMBER KNAPP:

30 OK. OK, thank you.

31
32 COUNCIL PRESIDENT ANDREWS:

33 OK. All right. Thank you. All right. And we did cover Issue 4 there in that conversation, so -
34 - and that was to delay the second ambulance at Kingsview until FY11. The fifth issue is
35 civilianization -- the issue is civilianizing 10 Firefighter/Rescue III positions in the ECC.

May 7 2009



1 The Committee supports this, and the Chief is looking very -- in a very innovative way at
2 positions that are ripe for civilianization, and we appreciate the initiatives, which we think
3 in many cases are -- are a good idea -- but not all. Issue 6 was to civilianize five
4 Firefighter/Rescue III positions and one Master Firefighter position in code enforcement.
5 This would still mean that most of the code enforcement officers would be sworn, and the
6 Committee supported this initiative 3-0, as well. On the recruit class, we had a discussion
7 of this in Committee. I have also had a discussion with Chief Bowers since, and I have
8 polled my colleagues on the Public Safety Committee, and we are revising our
9 recommendation on this to recommend that we have 12 positions in the February class
10 added to the reconciliation list -- currently, it would be 18; this would bring it up to 30 --
11 and put them on the reconciliation list in two increments of six, which -- each of which
12 would be \$330,000. And so that is the Committee recommendation on the recruit class
13 level. There would be 12 SAFER positions that are scheduled to begin in October. In
14 terms of field overtime reductions, this was an issue in which the Committee had a lot of
15 discussion, heard a lot from the community and also from the Montgomery County
16 Volunteer Fire Rescue Association -- concerns about this potential impact. This would
17 reduce overtime that is currently used for daywork positions at Wheaton, Bethesda-Chevy
18 Chase, and Kensington to cover hours from 6:00 to 7:00 in the morning and 5:00 to 6:00
19 in the evening. The concerns we heard from the station -- from the Departments are that
20 this will be difficult, in a number of cases, to fill with volunteers, because volunteers are
21 already putting in a lot of hours, and it's very difficult for volunteers to -- to cover a 5:00 to
22 6:00 shift in the evening, especially. The Committee felt there is some potential for
23 volunteers to cover this, but that we need to preserve the -- a fair amount of the money
24 that is currently used for this so it is available for overtime when needed, when volunteers
25 will not be able to do this, and there certainly will be times when the volunteers cannot
26 reasonably be expected to cover these particular hours. So the Committee recommended
27 3-0 that we put three increments of \$100,000 each on the reconciliation list for this
28 purpose -- for potential restoration for this purpose. OK. Councilmember Ervin.

29
30 COUNCILMEMBER ERVIN:

31 I do have a question on that particular issue, regarding the need. Is there no need for this
32 two extra hours of staff time per day? Is that what the Committee, along with you, Chief
33 Bowers -- clearly, in Public Safety Committee, you must have had a long conversation
34 about this, but I just want to know how these decisions were made regarding this extra
35 staffing time.

May 7 2009



1 COUNCIL PRESIDENT ANDREWS:

2 Chief Bowers.

3
4 RICHARD BOWERS:

5 Very challenging decisions, obviously, but we did use, and I do use, data to come to
6 decisions and use facts to be able to do that. In part of the packet, there are some maps,
7 some GIS maps that really outline some of the decisions that were made to try to lessen
8 or look at the least amount of impact when we have to meet a budget reduction of 3.5%.
9 And we did look across the organization, as we've already outlined, that there are many
10 other items that we look for efficiencies in economy of scales, if you will. In this area here,
11 we used data to look at what surrounding resources were available on a 24-hour basis.
12 What were any gaps, and what were the gaps, if there were any? And then certainly, what
13 was the coverage for service? And those maps do outline some of the things that, as a fire
14 Chief, I'm comfortable -- it's a challenging decision, but I'm comfortable with making that
15 recommendation to try to, if you will, achieve the cost savings that are necessary, but yet
16 understanding that there is an impact. So that's how the decision was made -- on the data
17 and fact-based.

18
19 COUNCILMEMBER ERVIN:

20 What do you think the impact will be?

21
22 RICHARD BOWERS:

23 There could be some delays in response times, unquestionably. I do believe that the three
24 areas that we have looked at - Rescue 1, Rescue 2, as well as Fire Station 5 -- those
25 corporations, those LFRDs, have done a tremendous job in staffing the apparatus. And
26 yes, we are asking them to do more, and there are -- there are going to be times,
27 legitimately, that they may not be able to cover these hours on the front end or the back
28 end. But again, trying to look at the organization as a whole, trying to look at the least
29 impact possible, this is one of the areas that we looked at, using data.

30
31 COUNCILMEMBER ERVIN:

32 And so -- and my final question -- so at -- in Kensington and Wheaton, these are the only
33 two areas in the packet that it looks like are going to have the biggest impact? Is that why
34 this is -- those two -- those two fire volunteer fire Departments are mentioned in -- on page
35 13?

May 7 2009



1 RICHARD BOWERS:

2 I think, unequivocally, all three areas, or all three stations, there will be an impact. In
3 Wheaton, there's a number of positions in which the volunteers would have to step up and
4 staff in the morning and the evening -- about nine positions, more so than what they do at
5 nights and weekends now. At Kensington, there would be about six positions, five to six
6 positions. So those are the -- those are the more staffed stations. Rescue 1, there's only
7 two positions that we staff there.

8
9 COUNCILMEMBER ERVIN:

10 All right. Thank you.

11
12 COUNCIL PRESIDENT ANDREWS:

13 Thank you for raising that issue, Councilmember Ervin. The Committee felt that it would
14 be wise to have this on the reconciliation list, to restore most of this overtime. We felt that
15 the volunteers could cover some more, but not most of what was proposed. Next issue is
16 Issue 9, which is reducing overtime for one EMS Duty Office slot. This is an annualization
17 of the savings plan that was approved last -- earlier this year, and so this would have us at
18 two EMS Duty Officers rather than three. And so this an annualization of that savings, and
19 we accepted it. Issue 10 is apparatus. This is an issue that where we are still having some
20 work done on some numbers. Conceptually, though, we -- the essential position is that
21 there is a greater need at this point for EMS units than for the new fire apparatus, and the
22 Committee's initial recommendation was to approve 10 of the requested additional EMS
23 units. I have met with Chief Bowers, and he has indicated that they believe that in shifting
24 some of the resources in this area, we could achieve more of the EMS units and not go
25 forward at this point with some of the apparatus, which is of a lesser need, at this point,
26 than the EMS units. Our staff is working with the Chief on some numbers that would
27 achieve that. But one of the goals here is to ensure that we make progress in maintaining
28 and replacing EMS units, but I am -- I think it is desirable to continue to have a staggered
29 approach rather than having a lump approach, which I think we should seek to avoid,
30 except where there's no choice. So we recognize that we need to add EMS units in this
31 budget, and we're working to see if we can increase that number from 10 to higher
32 number through a shift of some of the other spending on apparatus that was outlined
33 here. And I expect that we will come back on Monday, briefly, with a specific proposal on
34 that, but that's the concept. Councilmember Elrich.

May 7 2009



1 COUNCILMEMBER ELRICH:

2 I just wanted to add that as much as I appreciate a staggered approach, my
3 understanding is, we kind of got off the staggered approach.

5 RICHARD BOWERS:

6 Yes, sir, we did.

8 COUNCILMEMBER ELRICH:

9 When did we fall off? We stopped staggering when?

11 RICHARD BOWERS:

12 It's been at least --

14 COUNCILMEMBER KNAPP:

15 1997. We stopped funding it, and then we had to repurchase the 10 years later.

17 COUNCIL PRESIDENT ANDREWS:

18 It's been a while.

20 COUNCILMEMBER ELRICH:

21 I mean, I think the problem is that, if it were just a matter of staying on the staggered
22 approach, then buying 10 a year would make absolute, perfect sense. The problem is,
23 since we haven't been on a staggered approach. The presentation you made to the
24 Committee was, you were doubtful whether the ambulances would actually be able to
25 remain in service after another year. Is that a fair representation?

27 RICHARD BOWERS:

28 It is, especially our reserve units, which are running, you know, frontline so that the
29 frontline EMS units can be maintenance and try to kept -- be kept in service. So, yes, sir.

31 COUNCILMEMBER ELRICH:

32 And that would have impacts on service delivery if that were to happened?

34 RICHARD BOWERS:

35 Yes, sir, it would.

May 7 2009



1 COUNCILMEMBER ELRICH:

2 OK.

4 COUNCIL PRESIDENT ANDREWS:

5 OK. Thank you. We will be back on Monday for a brief follow-up on this -- this item of the
6 packet. Item 11 -- apparatus based on schedule. This is part of that, so we will come back
7 on 10 and 11. Issue 12 is transferring apparatus personnel from the LFRDs to the
8 apparatus section. There has been a lot of good work done by the Chief in facilitating this
9 transition, and it has already occurred, right? It started last week, right?

11 RICHARD BOWERS:

12 April 26, the official date.

14 COUNCIL PRESIDENT ANDREWS:

15 Two weeks.

17 RICHARD BOWERS:

18 Yes, sir.

20 COUNCIL PRESIDENT ANDREWS:

21 OK. Very good. And we supported that. Issue 13 -- uniformed position reductions. We are
22 concerned about the elimination of the Master Firefighter day position at Burtonsville. It is
23 a day position. That's hard for volunteers to cover, and we put that on the reconciliation list
24 at \$134,000 for restoration. Issue 14, changes in civilian positions. They're outlined in the
25 chart. I won't go into detail on those unless there are questions. I don't see any. Issue --
26 oh, I do. Councilmember Elrich, did you -- did I not -- You're fine. OK, all right. Issue 15 --
27 uniformed and civilian positions in non-operations sections. Again, a good chart that
28 shows the details there. We approved it. Issue 16 was maintenance staffing for SCBA
29 maintenance, which was recommended to be transferred from Wellness, Safety, and
30 Training to the Operations division. We went with the Executive recommendation here,
31 and if there are questions, I will direct those on this to Chief Bowers. Apparatus
32 maintenance staffing. We approved a reduction of 30,000 in overtime for this, which we
33 felt the Department could handle. Issue 18 -- recruitment reductions. This would abolish a
34 lieutenant in workforce recruiting and reduce recruiting section's operating expenses, as
35 well. We approved this. We are in a situation where we are seeing many applications for

May 7 2009



1 the force, for the service, and it's felt that there is not a need to have recruiting at the
2 same level this year that we have had, given the -- given that. Issue 19 -- structural
3 adjustments in personnel costs are outlined in the chart. Any questions, we can go into
4 that. On overtime, we're trying -- we've been trying for a number of years to get to the right
5 number on overtime for the different public safety Departments, and the Fire and Rescue
6 Department is doing a much better job than -- has greatly improved its tracking of
7 overtime. An Office of Legislative Oversight report a few years ago identified this as a
8 need for improvement, and they have improved, and that's why we're at this level.
9 Operating expenses are outlined on page 25. Fairly straightforward. We accepted them.
10 Issue 22 was the elimination of the Fire and Rescue Commissioner compensation, which
11 was led by Councilmember Leventhal, which the Council approved and is now annualized
12 in this budget -- a savings of 96,550. And Issue 23 -- automatic external defibrillators. The
13 Department will be using overtime -- in response to the question that I recall asking about
14 this -- because the person that was responsible for this recently retired, or left for a
15 different -- went to a different position. We will monitor this in the Public Safety Committee
16 to see that it is being done at a -- you know, working well, and we'll come back to that in
17 September. Take-home cars and fuel management, Issue 24. We're going to consider
18 these issues after the budget session, in terms of improved fuel management by installing
19 a centralized system. We felt that was a post-budget item. And on driver training classes,
20 the Committee is recommending -- I did poll our colleagues. This was a concern of
21 reduction in driver training classes in the budget and in this year's budget that is a concern
22 of both career and volunteer fire and rescue personnel, that there aren't these
23 opportunities available in order to qualify for promotions. So the Committee is going to
24 recommend that we put on the reconciliation list, in increments of \$24,000 each, which are
25 -- is the cost of a class, put on four increments -- the availability to increase the number of
26 classes from four, I think it is now proposed to be, to eight. So that would go on the
27 reconciliation list if there is support, and it looks like there is. And that is the Committee
28 recommendation. Councilmember Knapp.

29
30 **COUNCILMEMBER KNAPP:**

31 I appreciate the Committee's recommendation on that point because I think that's a pretty
32 critical piece. I had an opportunity, a couple of years ago, to attend -- we had a national
33 conference here, if I remember correctly, on driver training and the improvements that
34 have been made here and how Montgomery County is, in fact, a model for other parts of
35 the country. And to be honest, I was surprised, but in talking to folks from other parts of

May 7 2009



1 the country, just what -- what are standard practices in other places and what are the
2 things that we've implemented here, and as a result, we have seen reductions in risk
3 management, we've seen reductions in accidents, we've actually created a safer work
4 environment for many of our folks, and so I'm pleased that we put that out there. I am little
5 troubled by the last paragraph, that says -- I understand why a grievance has been filed, if
6 in fact there isn't access to the classes, but it would seem to me it's exactly the wrong
7 direction for -- for this requirement to be eliminated for any of our Fire and Rescue folks,
8 because I think it improves lots of things, and so I -- it is my hope that if we can pull some
9 of these resources back in, that we would ensure that both our volunteer and career
10 volunteer firefighters take -- avail themselves of this, to the extent that we can, and
11 continue to try and seek additional resources to get this funded going forward. But I don't
12 see any scenario where reducing a requirement for driver training is going to help our
13 residents or our firefighters, and so I think it's real important that we keep that on track.

14
15 COUNCIL PRESIDENT ANDREWS:

16 Thank you, Councilmember Knapp. Councilmember Floreen.

17
18 COUNCILMEMBER FLOREEN:

19 Thanks. I just have a question. It's not really -- well, it's not really related to this, but
20 statistically, what is your number, your percentage number, for EMS trips versus other
21 trips in the Department?

22
23 CHIEF BOWERS:

24 Approximately 4-1 ratio, if you will, and we--

25
26 COUNCILMEMBER FLOREEN:

27 So it's about 80% of your trips are EMS related?

28
29 CHIEF BOWERS:

30 Yes.

31
32 COUNCILMEMBER FLOREEN:

33 OK. That's all I had. Thanks.

34
35 COUNCIL PRESIDENT ANDREWS:

May 7 2009



1 Thank you, Councilmember Floreen. OK. No--

2
3 COUNCILMEMBER KNAPP:

4 My final question -- I apologize -- on retirements. How many folks do you have eligible for
5 retirements for this year?

6
7 RANDY WHEELER:

8 We have 30 people, approximately, currently in the DROP. That could be anywhere from
9 next month to the next 3 years.

10
11 COUNCILMEMBER KNAPP:

12 30 in DROP.

13
14 RANDY WHEELER:

15 And then we have approximately 300 people that would be eligible to retire if they chose
16 to, but with the DROP Program, we have very few people that do not take advantage of
17 that program.

18
19 COUNCILMEMBER KNAPP:

20 OK. All right. Thank you very much.

21
22 COUNCIL PRESIDENT ANDREWS:

23 OK. Thank you, Councilmember Knapp. And with that, we're giving preliminary approval to
24 this, and we will come back for the apparatus discussion on Monday. We now need to
25 have a brief meeting about the BiCounty meeting. I think we're going to be doing that next
26 door, in the third floor -- I believe right next door -- for about 5 or 10 minutes. OK? Thanks,
27 everybody.